

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 31, 1985

The meeting of the Local Government Committee was called to order by Chairman Paula Darko on January 31, 1985 at 3:15 p.m. in Room 312-2 of the State Capitol.

ROLL CALL: All members were present.

Chairman Darko stated that HB 135 and HB 248 deal with the same thing.

CONSIDERATION OF HOUSE BILL NO. 248: Rep. Ted Schye of House District #18 appeared before the committee as sponsor of HB 248. He explained this bill requires 100% security deposit for local government deposits in institutions having a net worth to total assets ratio of less than 6%. The reason he is bringing this bill before the House is because some members of the school board from his home town brought it to him. Rep. Schye's written testimony is attached as exhibit 1.

PROPOSERS: Les Alke, representing the Montana Banker's Association, said this only applies to the uninsured portion, and only amounts over \$100,000. He is in favor of HB 248 and urged the committee give a favorable consideration of this bill.

Nathen Tubergen, finance director from Great Falls, stated he is in favor of the bill if it has 'may' require 100%. It is important that they can require it.

OPPOSERS: Fern Hart, representing the Missoula County Treasurer's office, stated she strongly opposes this bill and presented written testimony as exhibit 2.

Charles Graveley, representing the County Treasurer's Association, stated they had not taken a firm position on this bill. However, he has received 13 or 14 phone calls, all of which have been about the number of bank failures that have occurred throughout the state and nationwide. The treasurers are responsible for all the county money that is on deposit. Only \$100,000 is insured, the rest is uninsured. If this is lost the money to run the government is lost. They have great concern about the 50% being allowed to continue.

J.G. Gottfried, Toole County Commissioner, stated he does not think it is a bad bill but he is a proponent of HB 135. He further stated that he has trouble with

the 6% of net worth, and is not secure in that 6% net worth.

In closing, Rep. Schye said that one of the reasons he put this bill in is the 100%. In looking at the bill, it says "may". If they go in and say they want 100% security, then they can have it. The banks and lending institutions have given better rates.

DISCUSSION OF HOUSE BILL NO. 248: Rep. Brandewie asked Rep. Schye if there is any way for the governmental units to find out in a timely fashion if a bank is going down rapidly. The answer was that they get the report after the fact.

Rep. Sands asked Mr. Graveley if this bill provides more than what is in the current law. Mr. Graveley responded "yes, only to the extent of 50%".

Rep. Gilbert asked if it is permissible to refer to HB 135 and he was told yes.

There being no further discussion of HB 248, it was closed.

CONSIDERATION OF HOUSE BILL NO. 135: Rep. Manuel of District 11, appeared before the committee as sponsor of HB 135. He stated this bill was brought to his attention by the Montana County Commissioners.

PROPOSERS: Bob Stockton of the Office of Public Instruction, stated their support of this bill. Their main concern is whether or not, under certain circumstances, each district is insured to \$100,000.

Joe Gottfried, county commissioner from Toole County, stated he is very firm in asking this committee for a DO PASS on HB 135. He passed out written testimony in support of this bill (exhibit 1).

Charles Graveley appeared in behalf of the County Treasurers and Assessors, and asked that the committee give full support to this bill. With the economic condition as it is, it is their position that the local government bodies should be able to require 100% security on unguaranteed and uninsured money. Failure to do this will have a catastrophic affect on local government.

Gloria Paladichuk, president of the Montana County Treasurer's Association, urged the committee to support this bill. It is important to make sure that money is secure.

Fern Hart, representing the Missoula County Treasurer's Office, presented written testimony in support of HB 135. See exhibit 2.

Gordon Morris, representing the Montana Association of Counties, stated he wants to go on record that 52 members have voted in support of this bill which is before the committee.

Richard Trerise, of the Montana Association of County School Superintendents, stated he would like to go on record as supporting HB 135.

OPPONENTS: Les Alke, Montana Banker's Association, stated he has concerns about Savings and Loans. If they can't meet the 6% net worth, they would have to pledge 100%. The other question raised is how does the 100% insurance apply to FDIC. Any treasurer can identify the actual ownership of funds if the funds can be insured for \$100,000. Mr. Alke urged the committee to give favorable consideration to HB 248, which is a compromise of promises the banks made in 1979.

There were no further opponents to HB 135.

DISCUSSION OF HOUSE BILL NO. 135: Rep. Gilbert asked Mr. Graveley if Montana law requires how county funds are deposited. Mr. Graveley replied that there is a law but he didn't have the laws before him. There is a law that a bank cannot bid. Rep. Gilbert also asked if the state of Montana gets the money under the 100% security.

Rep. Sales asked who is entitled to the security that the law provides. In the case where the bank may be shaky, he would hate to be responsible for the money that might be lost. He stated that if a bank is solvent he did not feel inclined to put any pressure on it to pledge 100%. The 6% is a little 'iffy'.

Rep. Wallin asked Mr. Alke that with this required, how would it affect the bank to borrow money from time to time. Mr. Alke told him all borrowing is from federal savings and they have to pledge security. They also borrow from other banks with no security. In the overall it would have a diverse affect on banks.

Rep. Gilbert asked Mr. Alke if the 100% security deposit would restrict some of the smaller banks, and Mr. Alke replied that it would depend on the bank. Rep. Gilbert also asked Mr. Alke if he felt the 6% figure described as "iffy" is iffy. Mr. Alke's reply was no, that when it falls below 6%, this is a figure that is considered a benchmark in the normal bank.

CONSIDERATION OF HOUSE BILL NO. 160: Rep. Grady of House District #47, appeared before the committee as sponsor of this bill. This bill includes mobile homes into the motor vehicle title system for proof of title and keeping track of security interests. Rep. Grady stated that a couple of amendments will be proposed.

PROPONENTS: Charles Graveley, who appeared in behalf of the Montana Treasurers' and Assessors Association, stated that a resolution of drafting was passed at the Montana Treasurers' and Assessors convention. He presented a proposed amendment from the Montana County Treasurer's Association, which is attached as exhibit 1. This amendment deals with paying of taxes on mobile homes or house trailers. He also addressed the concern expressed on the issuance of distinctive license numbers and plates, which are not required for mobile homes. Mobile homes have reached a considerably higher value than before as many of these homes are parked on private lots or rented premises. The homes may be sold but remain in the same place. If they are sold and remain, there is nothing on file showing the transaction that has been made. The tax notice goes to the owner who has left the area. There has been nothing on county record to show that transfer. The bill is a good bill for collection of taxes, and it also is a protective device for the person who purchases a mobile home. In the case where the title is actually transferred, the bill requires the title to go through the treasurer's office in the same manner as motor vehicle titles. This will tell who the owner is and who will be responsible for payment of taxes. Mr. Graveley stated he would like to urge this committee to give this bill favorable consideration and put a DO PASS on the floor.

Jess Munro, of the Department of Revenue, stated they rise in support of this bill, with a few amendments. He presented his amendments as written testimony (exhibit 2). The reason they rise in support of this bill is because mobile homes are the most difficult to take care of.

Martha McGee, County Treasurer of Lewis and Clark County, stated she would like to go on record in support of HB 160. She also presented written testimony from Dick Michelotti, Cascade County Treasurer and Vice President of Montana Treasurer's Association, who was unable to attend the meeting. This is attached as exhibit 3.

Fern Hart, Clerk & Recorder/Treasurer of Missoula County, appeared before the committee to testify in

support of HB 160. Written testimony was passed out, exhibit 4.

Susan Spurgeon, Fergus County Treasurer, from Lewistown, stated she is working very closely with their local lending institutions. They do not get 100% participation, but most of their mobile homes have current owners. She would like to go on record as supporting HB 160.

There were no opponents to HB 160.

In closing, Rep. Grady stated that he hadn't had a chance to go over the amendments, but the theory behind the bill is good. However, it has a lot of loopholes that need to be closed up. He urged the committee to look the bill over and make up something that the treasurers can work with.

DISCUSSION OF HOUSE BILL NO. 160: Rep. Brandewie asked Mr. Graveley if the people he represents who are in favor of the bill would be willing to work with a subcommittee. Mr. Graveley stated they would be glad to work with a subcommittee or work on amendments.

Rep. Wallin addressed Susan Spurgeon of Fergus County by stating that he is an automobile dealer, and he has a lot of trouble with people transferring titles, in cash transactions. Her reply was that they are trying to get the public informed as to what the procedure is on the titles. They send out notices as soon as they get the paperwork. In cash transactions, their percentage is lacking. They do have a loss in ownership names. This bill will help because it will require the paperwork to go through their office.

Rep. Wallin asked Mr. Graveley if the bill would get people to transfer titles in cash transactions. Mr. Graveley responded by saying he thought it would help, as most people want their property titled in their name. By sending the papers directly to the Department of Motor Vehicles in Deer Lodge, this must be done through the county treasurer's office.

There being no further discussion, HB 160 was closed.

CONSIDERATION OF HOUSE BILL NO. 186: Rep. Pistoria of District 36, from Great Falls, presented this bill before the committee. This bill authorizes the governing body of a county to pass ordinances to prevent and regulate community decay created by the demolition of a structure by man or nature. Rep. Pistoria said this bill came about because of the many phone calls he has

received regarding the garbage problems in many of the counties in Montana. The state law only covers highways, so the state can't take care of the problem. What this bill asks is to allow the county commissioners to be able to adopt ordinances in the county where it fits. If it is made a state law, it will put the burden on the state to administer it. Rep. Pistoria proposed an amendment that was recommended by the Solid Waste Department of the state of Montana, which he passed to the committee members as exhibit 1. He stated this is a very good amendment and briefly went over it. He also distributed pictures and xeroxed pictures of materials piled up on highways as exhibit 2.

PROPONENTS: Jim Leiter, representing the Montana Department of Health, stated he would like to testify in support of this bill. Currently there are quite a few conditions close to the city limits that cause deterioration.

Local government is an important factor in this bill, which allows county commissioners to regulate these conditions and gives them the opportunity to take care of them effectively. In closing, he expressed the department's favor of HB 186.

Pete Frazier, environmental health coordinator with the city-county health department of Great Falls, presented written testimony in support of HB 186 (exhibit 3) and urged the committee to provide HB 186 with a DO PASS AS AMENDED recommendation.

There were no opponents to HB 186.

In closing, Rep. Pistoria stated he would like Mr. Leiter to work up a recommendation that effective date is upon passage. Rep. Gilbert asked Mr. Frazier about spot zoning, and that he didn't see any reference in the bill for spot zoning. It is not a spot zoning kind of concept. Rep. Gilbert said he had always been told that spot zoning was illegal. Mr. Frazier replied that maybe he should have used proper terminology.

Rep. Sands questioned Mr. Leiter about where he got the language for the statute, which describes allowing debris to collect as a crime. Rep. Sands used as an example that if he had a piece of property and someone comes in and throws a load of straw on it, the way the statute is written, he has committed a crime because he allowed it to happen. Mr. Leiter replied he understood the point Rep. Sands was making.

Rep. Kitselman stated he lived next door to the Montana Recycling Center, where a lot of material is accumulated in their yard. He was told that this bill would give the county commissioners the ability to decide when a property may become a possible nuisance and at that time decide if a fence must be built. Rep. Kitselman also told the committee he is involved with the Boy Scouts, and they are saving lumber and logs. Some people may see this as a nuisance. Mr. Leiter answered that the key is that local government decides what is to be done.

Rep. Brandewie asked Mr. Leiter that as this law is written, would it be safe to assume that a pile of scrap iron in a person's yard would have to be shielded if the neighbor did not like it. Mr. Leiter replied this would be the case only if the county commissioners said so.

Rep. Pistoria stated that the state has no jurisdiction, and Mr. Frazier said the county commissioners have the authority to deal with the problem in their area.

The committee then went into executive session for action on bills.

DISPOSITION OF HOUSE BILL NO. 135: Rep. Sales made the motion to DO NOT PASS HB 135, and this was seconded by Rep. Gilbert.

The motion PASSED UNANIMOUSLY.

DISPOSITION OF HOUSE BILL NO. 248: Rep. Brandewie moved that HB 248 DO PASS. This was seconded by Rep. Wallin. Question was called for and motion PASSED UNANIMOUSLY.

It was decided to wait to take action on HB 186. Rep. Pistoria was asked to have amendments ready for the Saturday, February 2, 1985 meeting.

House Bill No. 160 was sent to Subcommittee, with Rep. Brandewie as Chairman, and Rep. Gilbert, Rep. Fritz, and Rep. Hansen serving on the committee.

There being no further business before the committee the meeting was adjourned at 5:00 p.m.


PAULA DARKO, Chairman

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

DAILY ROLL CALL

LOCAL GOVERNMENT COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 1-31-85

NAME	PRESENT	ABSENT	EXCUSED
<u>Paula Darko, Chairman</u>	✓		
<u>Norm Wallin, Vice Chairman</u>	✓		
<u>Ray Brandewie</u>	✓		
<u>Dave Brown</u>	✓		
<u>Harry Fritz</u>	✓		
<u>Stella Jean Hansen</u>	✓		
<u>Bob Gilbert</u>	✓		
<u>Mike Kadas</u>	✓		
<u>Les Kitselman</u>	✓		
<u>Paul Pistoria</u>	✓		
<u>Bing Poff</u>	✓		
<u>Walter Sales</u>	✓		
<u>Jack Sands</u>	✓		
<u>Dean Switzer</u>	✓		

STANDING COMMITTEE REPORT

January 31, 1955

MR. **SPEAKER:**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **HOUSE** Bill No. **248**

FIRST reading copy (**WHITE**)
color

**LOCAL GOVERNMENT DEPOSIT SECURITY NET WORTH TO
TOTAL ASSETS RATIO**

Respectfully report as follows: That **HOUSE** Bill No. **248**

~~DO PASS~~

STANDING COMMITTEE REPORT

January 31, 1935

MR. **SPEAKER:**

We, your committee on **LOCAL GOVERNMENT**

having had under consideration **HOUSE** Bill No. **135**

FIRST reading copy (**WHITE**)
color

**AN ACT ALLOWING LOCAL GOVERNMENTS TO REQUIRE 1003
DEPOSIT SECURITY FOR THE UNINSURED OR UNGUARANTEED
PORTION OF LOCAL GOVERNMENT FUNDS DEPOSITED IN
FINANCIAL INSTITUTIONS.**

Respectfully report as follows: That **HOUSE** Bill No. **135**

DO NOT PASS

~~XXXXXX~~
DO PASS

11:20 2/1
11:20

REPRESENTATIVE TED SCHYE

Room 312
Local Government
House of Representatives

3 p.m.
Thursday
Jan. 31, 1985

Mr. Chairman and members of the committee:

In 1979, the Montana Legislature lowered pledging requirements on public funds from 100% to 50% to simplify procedures and reduce paperwork for the banks and increase the yield for local government. With passage of that bill, banks were able to provide a higher interest rate on public funds and thereby be more competitive with out-of-state financial institutions.

Investment in government securities, out-of-state financial institutions or short-term investments through the State Board of Investments that go out of state does not provide capital for Montanans. Keeping the pledging requirement at 50% enables financial institutions to bid a higher yield, and thereby keeps property taxes down. It also keeps the money locally for commercial ventures which stimulates economic development.

In addition to government bonds, mortgages and commercial loans also have been allowed to be pledged as security for public funds. The true market value of a mortgage or commercial loan is questionable and would not necessarily provide 100% security for public funds even if 100% pledging was required once again.

The safety and soundness of public funds can best be determined by the soundness of the financial institution itself rather than what or how much is pledged to protect those deposits. The net worth of a financial institution determines its soundness and ability to withstand losses without becoming insolvent.

When an institution reports a rapidly diminishing net worth, its solvency is being threatened and its failure is a possibility. A county treasurer would be exercising prudent judgment in requiring 100% pledging preferably in government securities for public funds on deposit in such a financial institution.

Federal regulatory agencies, including the FDIC which insures all Montana banks, have recently determined that a net worth of 6% of total assets is a generally accepted minimum for community banks. All banks in Montana are considered to be community banks. When a bank's net worth falls below 6% the regulatory agencies insist on additional capital.

The 6% benchmark therefore is a reasonable level to determine if a bank should pledge 50% or 100% against public funds.

As of June 30, 1984, the 170 banks in Montana had an average net worth of 8.47%, well above the 6% benchmark. Few banks therefore would be required to pledge 100%, nor should they need to in light of their solvency.

Obviously any bank falling below this benchmark would have to pledge 100% as would any other financial institution eligible to bid on local government funds.

HB-248 provides a compromise for those advocating greater security on public funds, but at the same time provides local government with higher yields and keeps the money working for the community. We think it is a logical and fair compromise, and urge your support.

Exhibit 2
HB 248
1-31-85
Rep. Schye

WITNESS STATEMENT

NAME FERRY HART BILL NO. HB248
ADDRESS Missoula County Courthouse, Missoula, MT DATE 1/31/85
WHOM DO YOU REPRESENT? Missoula County Treasurer's Office
SUPPORT OPPOSE ✓ AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

I STRONGLY OPPOSE THIS BILL WHICH IS SIMILAR TO
HB 135 EXCEPT FOR THE 6% RATIO CLAUSE. WE CHECKED
ALL THE BANKS REPORT STATEMENTS OF THE MISSOULA
BANKS. NONE OF THEM FALLS BELOW THE 6% RATIO.
THIS WOULD HAVE NO EFFECT. IT WOULD NOT OFFER
PROTECTION FOR THE TAXPAYERS' MONEY.

IN ¹⁹⁷⁷~~1979~~ WE HAD A STATUTE WHICH MANDATED 90%
PLEDGED SECURITIES. IT WAS REDUCED TO 50%
¹⁹⁷⁹
IN ~~1981~~. WE ARE ONLY HALF PROTECTED.

I BELIEVE WE HAVE HAD A BANK FALL — BROWNING
WE HAVE HAD SOME VERY SHAKEY SAVINGS & LOANS

TOM SHERRARD, Chairman

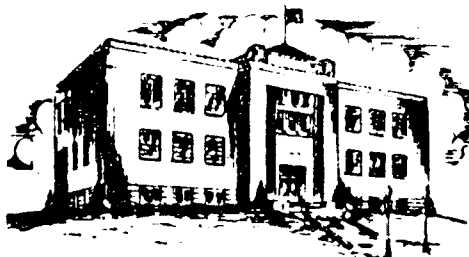
J.G. GOTTFRIED, Commissioner

HARRY A. SIMONS, Commissioner

RAE KALBFLEISCH, County Attorney

ELIZABETH MUNSON, Clerk and Recorder

VERN L. ANDERSON, Sheriff



Exhib. # 1
HB 135
PENNY UNDERDAHL, Clerk of Court
1-31-85

JUDITH J. NEVINS, Treasurer

CORRINE MERHAR, Assessor

THELMA O. ROBERTSON, Co. Supt.

JERRY MURRAY, Coroner

TONY LUNDA, Public Administrator

JAMES C. FARRAR, Justice of the Peace

COUNTY OF TOOLE

SHELBY, MONTANA

Representative Paula Darko, Chairman
House Local government committee

HB 135 Allowing 100% deposit security
Statement in favor of passage - recommend DO PASS

The last quarter of 1984 showed that 76 banks had died up to that time. Some of these banks were major lending institutions as well as some local type banks. Just within about the last six weeks, 3 major farm lenders, the PCA's have folded in the State of Montana and very possibly there are more to follow. The news media indicates that the PCA's money source could be in financial difficulties.

The State of Montana has the authority to require additional depository security above the 50% allowable to the counties, should the State deem it necessary. The county handles all of the funds for such entities as the T.V. District, Solid Waste, Fire, etc. We also have the sole responsibility of the funds of school districts, cities and towns as well as our own county funds, all tax payers monies.

I shall cite an example of our situation as of January 23, 1985, in Toole County, Shelby, Montana. (2Banks)

Monies invested	\$8,466,994.92	
Monies on Deposit	193,902.38	
Total		\$8,660,897.60
FDIC 2 Banks	200,000.00	
Pledged Securities	3,750,000.00	
		\$3,950,897.60
Unsecured balance		<u>4,710,897.60</u>
January 24, one bank pledged additional		1,000,000.00
Unsecured balance		3,710,897.60

We, as county commissioners have a great responsibility to the taxpayer to safeguard these funds, therefore we ask for the authority to require pledged securities to cover our balance at 100%, should it become apparent that the institutions into whose hands we have delivered these funds become financially unstable.

Respectfully *J.G. Gottfried*
J.G. Gottfried, Toole County Commissioner
Executive Board, Montana Association of Counties

WITNESS STATEMENT

NAME FERN HART BILL NO. HB 135
ADDRESS County Courthouse Missoula, Mont DATE 1/31/85
WHOM DO YOU REPRESENT? Missoula County Treasurer's Office
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WE STRONGLY SUPPORT THIS BILL SINCE IT IS OUR RESPONSIBILITY TO BE STEWARDS OF THE TAXPAYERS MONEY. WE FEEL WE NEED 100% PLEDGING FOR PROTECTION. THIS IS ESPECIALLY TRUE SINCE THE FEDERAL REGULATORY AGENCIES HAVE GIVEN SMALL BANKS THE "FREEDOM TO FAIL." THOSE AGENCIES WILL BAIL OUT A CONTINENTAL ILLINOIS IN ORDER TO KEEP THE ECONOMY STABLE. THEY WILL NOT SUPPORT OUR SMALL BANKS WHEN THEY ARE IN TROUBLE—

WE DON'T BELIEVE THAT 50% PLEDGING HAD ~~THE~~ INCREASED THE RATES OF INTEREST WHICH THE BANKS HAVE BID FOR COUNTY MONEY.

WE ALSO HAVE LETTERS ON THESE TWO BILLS FROM MISSOULA COUNTY COMMISSIONER'S OFFICE.

Exhibit 1
HB 160
1-31-85
Rep. Grady

To: House Local Government Committee

From: Montana County Treasurers' Association

Re: HB 160 Title to Mobile Homes

The Montana County Treasurers' Association wishes to propose the following amendment to the above-numbered bill:

Page 8, line 23, add after taxes, "or in case of mobile homes
or house trailers, taxes shall be paid as provided in
Section 15-24-202."

Submitted by Jesse Munro of the
Dept. of Revenue.

Exhibit 2
HB 160
1-31-85
Rep. Grady

Amendment to HB 160

- (1) Page 8, line 21
Following: "vehicle"
Strike: "or mobile home"
- (2) Page 8, line 24
Following: "chapter"
Strike: "or Title 15"
- (3) Page 8, line 25
Strike "chapter 24,"
- (4) Page 9, line 2
Following: "year."
Insert: "The new owner of a transferred mobile home shall
have a grace period of 20 calendar days from the
date of purchase to make application and pay the
fees, as provided in this section, with the taxes
being collected as provided in 15-24-202."

WITNESS STATEMENT

Name Martha B. McLee, Co. Treasurer Date 1/31/85
Address Helena City - Co. Bldg Support ? ☒
Representing Lewis & Clark Co. Treasurer's Office Oppose ? ☐
Which Bill ? HB 160 Amend ? ☐

Comments:

I would like to state that I support
HB 160 and read the following letter for
Mr Michelatte, who was unable to testify
because of illness.

Please leave prepared statement with the committee secretary.

DATE: January 31, 1985

TO: Local Government Committee
Madam Chairwoman and Members of the Committee

FROM: Dick Michelottie, Cascade County Treasurer and
Vice President of Montana Treasurer's Association

SUBJECT: HB 160

I would like to recommend that this committee place a "do pass" on HB 160 for the following reasons:

At the present time, mobile home dealers and owners send their titles directly to the Motor Vehicle division in Deer Lodge. The division then sends it back to the owners of the mobile home.

A list is sent to the County Assessor with the serial number and only the name of the new owner - not the previous owners and their mailing address, which many times is a P.O. Box number - with no residence address.

This type of handling creates the problem of 2 (two) assessments and tax bills on the same mobile home.

If the titles ^{came}~~come~~ through the Treasurer's office we would have control on where these mobile homes are located, who is the new and past owners - and each mobile home could be justly taxed and only once.

Furthermore, ^{when}~~when~~ mobile homes ~~are~~ are moved within or out of the county, the Treasurer's office would collect the moving permit fees and back taxes; and would also be able to provide the Treasurer of the county where the mobile home is being moved - with a resident or location address.

At the State Treasurer's annual meeting last September, all the County Treasurers'

voted in favor of this legislation.

Processing titles through the Treasurers' office would enable each county to keep better track of transfers within the year after tax statements. Exact location is a must, if legal action has to be taken to collect taxes.

NOTE: By *Martha McLee* *Lewis & Clark Co. Treasurer* *Calendar year*
3,000 mobile home tax statements are mailed ^{out} in Cascade County per year. 1984 shows
\$86,000 in uncollected delinquent taxes.
2,300 mobile home tax statements are mailed ^{out} in Lewis and Clark County per year. *Calendar year* 1984
shows \$37,000 in uncollected delinquent taxes.

Positive action on this bill would aid in the collection of these back taxes.

Breakdown of present motor vehicle titling fees
\$1.00 goes to Counties
2.00 goes to Deer Lodge

Mobile Home spread of taxes / Lewis & Clark Co
6 Mills to University system
12 Mill to Welfare

L. & C. County Partition 1984-1985 Levy
68.18 inside county
83.18 outside county

Exhibit 4
HB 160
1-31-85
Rep. Grady

TO THE HOUSE OF REPRESENTATIVES LOCAL GOVERNMENT COMMITTEE

I'm Fern Hart, Clerk & Recorder/Treasurer of Missoula County, and I'm here to testify in support of HB 160.

For our county the most difficult and complex tax collection procedure is personal property. Of that, mobile homes are the most time consuming. Our biggest problem is the lack of current records. The Registrar of Motor Vehicles in Deer Lodge is charged with the responsibility of registering and transferring titles which are the record of ownership and liens. Our Assessor's Office, which is part of the Department of Revenue, is responsible for the names and addresses of the owners of mobile homes.

In spite of all the good services of these departments, we still have tax notices returned marked Addressee Unknown or Not At This Address. The problem seems to be that some mobile homes owners do not bother to transfer their title when they sell their mobile home or their interest in their mobile home. There are many instances when our records are three owners back.

Missoula County has 3600 mobile homes on personal property amounting to \$506,000. We currently have 315 which are delinquent as of September 30th of 1984. We have a procedure of issuing a warning from the County Attorney's Office and then setting up tax sales. Last year we had 150 mobile homes which we took through the sale procedure. All but five were redeemed before the sale. We have found that we cannot keep our personal property taxes current without this procedure.

The statutes provide this procedure but they also require very strict legal noticing. Without adequate records of owners names, addresses, title numbers and lien holders, we cannot follow through.

We feel that everyone will benefit from better records. The mobile home owners will have proper notification of their taxes. Many times renters are living in the home and we do not know the correct owner. Sometimes we get to the point of sale believing we have the current owner when we have a former owner's name. The title number stays with the mobile home through all the owners. HB 160 is a method of transferring title which is similar to cars and trucks. Mobile homes are often of far greater value than cars, and should have a better titling procedure.

I hesitate to suggest any corrections for a bill which seems to solve our most serious problem but I must ask your consideration to add "title number" to the information requested on page 4 line 18. We already receive this printout from Deer Lodge. It is very valuable and the printout does include title numbers.

I wrote you to support this Bill

Thank you.

FH:sm
1-31-85

Exhibit 1
HB 186
1-31-85
Rep. Pistoria

Amendment to House Bill No. 186 - Introduced Bill

1. Title, line 6.

Following: "RUBBLE"

Strike: "FROM DEMOLITION OF STRUCTURES"

2. Page 1, line 11.

Following: "by"

Strike: the remainder of line 11, lines 12 and 13 in their entirety, and "refuse" on line 14.

Insert: "allowing rubble, debris, junk, or refuse to accumulate resulting in conditions which are injurious to health, indecent, or offensive to the senses or which obstruct the free use of property so as to interfere with the comfortable enjoyment of life or property"

HB 186

Original

Taken - Thurs - May 10, 1984 on Vere mill Road
to dump - St. Falls, Paul & Pistoria

Exhibit 2

HB 186

1-31-85

Rep. Pistoria



Road

Taken - This May 10, 1984 on wire mill Road
to Deep & Falls - Paul & Pistoria



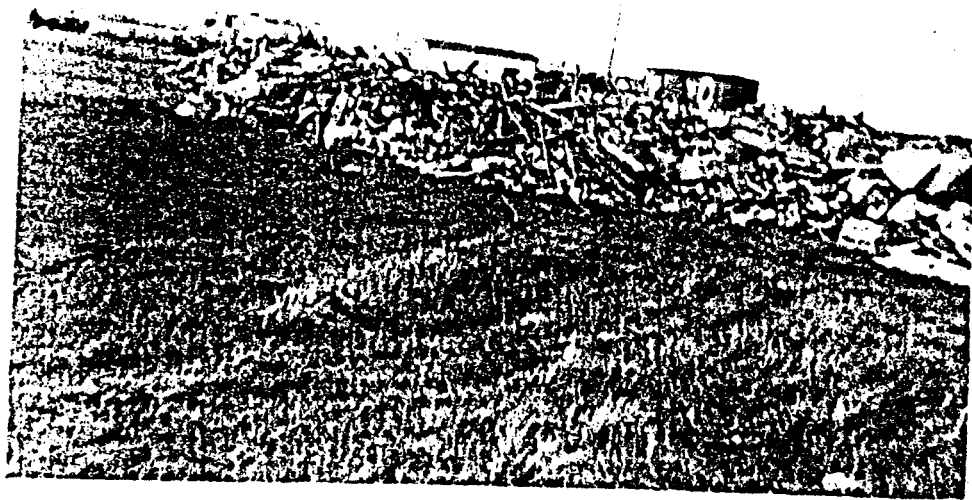
Root

Taken - Thurs. May 10, 1984, on wire mill Road
to Dump LL Falls - Paul & Patricia



Road

Taken - Thur. May 10, 1984 on wire mill Road
to Swamp - St. Falls - Paul L. Hestoria



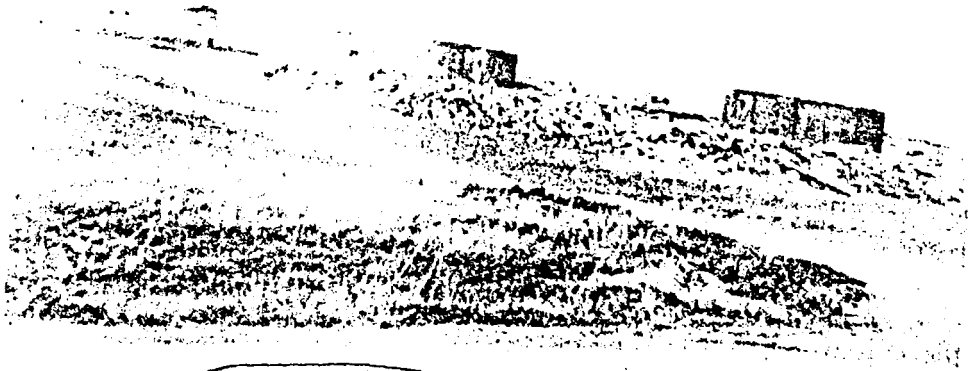
Road

Taken on tour - May 10, 1984, on wire mill road
to Camp St. Falls. Paul R. Pistoria



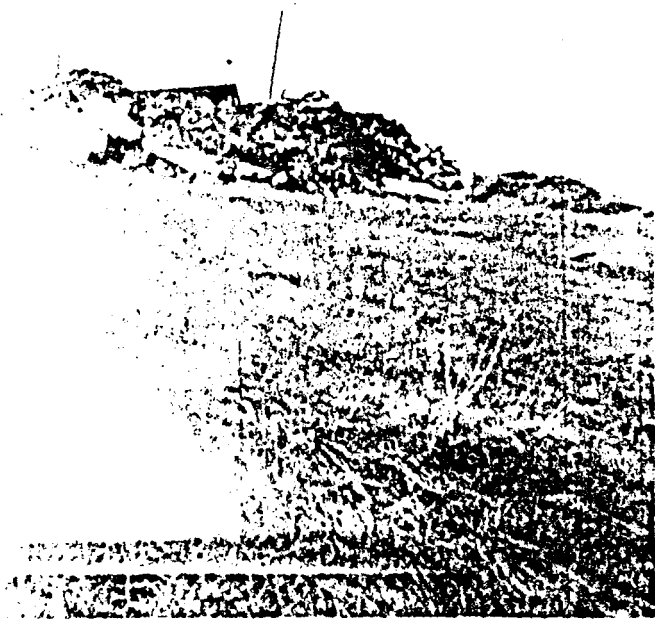
Road

Taken Thur. May 10, 1984. on Wise mill road
to dump St. Falls - Paul G. Pistoria



Road

Taken - Blue - May 10, 1984 on cross mill Road
to dump St. Falls - Paul G. Pistoria



Road

Taken - Thur - May 10, 1984 on wire Roach
to Swamp - St. Falls - Paul H. Ristoria



Roach

Taken Thur May 10, 1984 on wire mill road
to dump - St. Falls - Paul G. Pistoria



Taken - Thurs - May 10, 1984 on wire Mill Road
to Dump - St. Falls - Paul S. Pistaria



Burred P^{it}
of Road

Taken - Laver - May 10, 1984 on wire Road
to Dump - St. Falls - Paul & Aistoria

A.C.M. Wire mill Bldg.



← concrete
Blocks
& chunks.

Road

Taken - Thur - May 10, 1984 on the wire mill Rd
to Dump. St. Falls - Paul & Pistoria



...documents submitted by
Northern officials said.

K TRIBUNE - FILE - MAY 15, 1985 - APR 23, 1984

Old straw raises stink

Spoiled straw from the State Fair horse barns is being dumped on private land near the Wire Mill Road at the north edge of Black Eagle, and complaints about the deliveries were discussed at Thursday's county Fair Board meeting.

Rep. Paul Pistoria, D-Great Falls, told Cascade County commissioners and the State Fair Board this week he is concerned about the accumulation of straw from the county fairgrounds at the Wire Mill road site. Along with unsightly old brick and concrete piles in the area, the manure-laced straw is an eyesore and a fire hazard, he said.

Commissioner Jack Whitaker suggested Pistoria take the complaint to the Fair Board, which Pistoria Thursday.

Bill Chiesa, State Fair manager, said the fair board has a \$22,500 contract with Mark Forester, a hauler, for disposal of the straw during the March to August racing season.

He has hauled three or four truckloads a day to a site near the Anaconda Co. Wire Mill on leased ground where the owner requested the straw, Chiesa said.

Chiesa said later that Forester expects to make his last haul to the site on Friday.

Chiesa said a big problem for him in disposing of the straw is that city land-fill dump regulations won't allow straw there, because it is considered a fire hazard.

Chiesa said that for about eight years until last year, the Big Sky Horse Racing Association oversaw disposal of straw during the racing season as part of its rent for the county fairgrounds. Straw has been sent to areas such as the Bootlegger Trail farms, he said.

Last year, the fair board took over management of racing at the fairgrounds, and took on the straw-disposal problem as part of its over-seeing responsibilities.

Forester submitted a low bid of \$22,500 for this season's delivery.

Pistoria said he has heard complaints from several Black Eagle residents about the straw.

The area is a "terrible sight," Pistoria told the Fair Board, adding, "I don't feel that it is your fault."

Chiesa said the health department here inspected the property and didn't find the straw to be a health hazard. But the deliveries to the Black Eagle area are expected to stop today.

The next spot likely will be a Bootlegger Trail farm, Chiesa said.

TESTIMONY ON HB 186

Exhibit 3
HB 186
1-31-85
Rep. Pistoria

MR. CHAIRMAN AND COMMITTEE MEMBERS, MY NAME IS PETE FRAZIER. I AM CURRENTLY THE ENVIRONMENTAL HEALTH COORDINATOR WITH THE CITY-COUNTY HEALTH DEPARTMENT IN GREAT FALLS. I HAVE BEEN A PUBLIC HEALTH SANITARIAN WITH THIS DEPARTMENT FOR THE PAST 13½ YEARS.

EVERY YEAR, OUR DEPARTMENT RECEIVES SEVERAL COMPLAINTS CONCERNING RUBBLE AND DEMOLITION MATERIAL, SUCH AS BRICKS, WOOD, STRAW, METAL STOCK PILES, ETC., THAT IS BEING DUMPED OR STORED IN VARIOUS AREAS THROUGHOUT THE COUNTY. USUALLY, THESE AREAS ARE WITHIN THE CITY OF GREAT FALLS OR IN AREAS JUST OUTSIDE THE CITY LIMITS OF GREAT FALLS. SHOULD THE PROBLEM EXIST WITHIN THE CITY LIMITS, THEY CAN BE, AND ARE, CORRECTED UNDER CITY BUILDING INSPECTOR AND CITY ORDINANCES. HOWEVER, IF THEY EXIST OUTSIDE THE CITY LIMITS, NO SUCH ORDINANCES ARE AVAILABLE FOR USE IN RECTIFYING THE PROBLEM.

IN ADDITION, IN MOST, IF NOT ALL THE CASES, THE MATERIAL IN QUESTION IS NOT ACTUALLY BEING DISPOSED OF, BUT INSTEAD, IT IS SUPPOSEDLY BEING STORED FOR SOME "BENEFICIAL USE" - BRICKS STORED FOR CLEANING AND RESALE, STRAW BEING USED FOR A SOIL CONDITION, METAL BEING STORED FOR SALE AT A RECYCLING CENTER, ETC. IF, IN FACT, THE MATERIAL IN QUESTION IS NOT ACTUALLY BEING DISCARDED OR DISPOSED OF, UNDER THE STATE SOLID WASTE LAWS IT IS NOT CONSIDERED "SOLID WASTE" AND, THEREFORE, ENFORCEMENT CANNOT BE TAKEN UNDER THE SOLID WASTE LAWS. IN MOST CASES, SUCH PROBLEMS ARE NOT "PUBLIC HEALTH" PROBLEMS. HOWEVER, SUCH MATERIAL BEING STORED IN MANY AREAS CERTAINLY IS AN ESTHETICAL PROBLEM AND AN "EYE SORE" TO AREA RESIDENTS WHO MUST DRIVE PAST THESE AREAS EVERY DAY, AND MAY AFFECT PROPERTY VALUES OF ADJOINING PROPERTY. THEREFORE, A MECHANISM TO HANDLE SUCH PROBLEMS IS NECESSARY. HB 186 PROVIDES SUCH A MECHANISM BY PROVIDING COUNTY COMMISSIONERS THE AUTHORITY TO PASS AN ORDINANCE TO CONTROL THESE

PROBLEMS IN SPECIFIC AREAS OF COUNTIES. SINCE THESE PROBLEMS ARE ACTUALLY A "LAND USE" TYPE OF PROBLEM RATHER THAN A PUBLIC HEALTH SITUATION, AND BECAUSE HB 186 REFERS TO A "SPOT ZONING" TYPE CONCEPT IN SECTION 3 OF THE BILL, IT WOULD APPEAR THAT SUCH AN ORDINANCE WOULD BE MORE READILY ENFORCED BY COUNTY ZONING AND/OR PLANNING EFFORTS. THIS MECHANISM WOULD ASSURE THE CITIZEN DUE PROCESS THROUGH TRADITIONAL PUBLIC NOTICES, HEARINGS, AND APPEAL PROCEDURES THAT ARE ROUTINELY USED BY LAND USE PLANNING PROFESSIONALS. THEREFORE, TO CARRY THROUGH WITH THE "SPOT ZONING" CONCEPT WITHIN THE BILL, POSSIBLY A STATEMENT SHOULD BE ADDED AFTER THE WORD "ORDINANCE" ON LINE 19 STATING, "TO BE ADMINISTERED AND ENFORCED BY THE COUNTY ZONING AND/OR PLANNING PERSONNEL."

WITH REGARD TO SECTION 5 CONCERNING A "MISDEMEANOR PUNISHMENT," IT HAS BEEN OUR EXPERIENCE THAT, AT TIMES, A FINE IS NOT ENOUGH TO ABATE A PROBLEM, UNLESS THE FINE IS IMPOSED FOR EACH DAY THE VIOLATION OCCURS. SOMETIMES THE MISDEMEANOR FINE IS PAID, YET THE PROBLEM REMAINS UNABATED AND ENFORCEMENT PROCEDURES MUST BE STARTED ALL OVER AGAIN. THEREFORE, IN ORDER TO PROVIDE A MEANS FOR ABATEMENT OF A SERIOUS "COMMUNITY DECAY" PROBLEM IN WHICH THE PROPERTY OWNER REFUSES TO ACT, AUTHORITY SHOULD BE GIVEN TO THE COUNTY TO EITHER CONTRACT FOR THE REMOVAL OF THE OFFENDING MATERIAL OR REMOVE THE MATERIAL THEMSELVES, AFTER PROPER NOTICE AND HEARING, AND PLACE THE COST FOR SUCH REMOVAL UPON THE PROPERTY OWNER'S TAXES AS A LIEN ON SAID PROPERTY. THIS WOULD BE CONSISTENT WITH MANY CITY ORDINANCES NOW IN EFFECT FOR REMOVAL OF CONDEMNED BUILDINGS, UNCUT WEEDS, ETC.

IN CONCLUSION, WE WOULD URGE THE COMMITTEE TO PROVIDE HB 186, AS AMENDED, WITH A "DO PASS" RECOMMENDATION.

THANK YOU.

WITNESS STATEMENT

NAME Gloria Paladichuk BILL NO. HB 135
ADDRESS Sidney MT DATE 1-31-85
WHOM DO YOU REPRESENT? Co Treas. Association
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME Rick Hart BILL NO. 248
ADDRESS C/O Bank of Montana - Helena DATE 1-31-85
WHOM DO YOU REPRESENT? Bank + MBA
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME Les Alke BILL NO. 248 ^{H.B.}
ADDRESS #1 Last Chance Gulch DATE _____
WHOM DO YOU REPRESENT? Montana Bankers Ass'n
SUPPORT X OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

MISSOULA COUNTY

BOARD OF COUNTY COMMISSIONERS

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

MEMORANDUM

BCC-85-057
January 29, 1985

TO: MEMBERS, HOUSE LOCAL GOVERNMENT COMMITTEE

FROM: HOWARD SCHWARTZ, EXECUTIVE OFFICER *HS*
MISSOULA COUNTY

RE: COMMENTS ON HB-135, HB-248 and HB-186

On behalf of the Missoula County Commissioners, I would like to enter the following comments for the record on bills being heard on January 31, 1985:

HB-135

We support this bill, which would allow County Treasurers to negotiate greater security for County investments. While not all investments need to be secured by pledged securities, there are many cases when more than 50% security is needed. Since present law allows banks to secure County investments with such investment instruments as mortgages, while then turning around and investing money on deposit from the County in virtually totally secure instruments, such as U.S. Treasury Notes, Ginnie Mae's and Fannie Mae's, it is only reasonable for banks to secure all of County investments. Clearly, it would be preferable for counties to invest directly in these types of Federal securities, but since present law requires counties to invest through banks, counties should be able to negotiate 100% pledging on them.

HB-248

HB-248, by contrast, would offer no real improvement over the current situation, since all Missoula banks, for example, fall outside of the threshold set forth in the bill.

HB-186

This seems to be a useful addition to our power to control rubbish in counties. An amendment to the bill to extend its coverage to all kinds of litter and unsightly rubbish would make the bill even more useful.

HS/lrs

cc: Fern Hart, Missoula County Clerk & Recorder/Treasurer
Gordon Morris, Executive Director, MACo
Board of County Commissioners

WITNESS STATEMENT

NAME Cloria Paladuchuk BILL NO. ^{HB} 160
ADDRESS Sidney MT DATE 1-31-85
WHOM DO YOU REPRESENT? Co Treasurers Association
SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

NAME PETE FRAZIER BILL NO. 186
ADDRESS 3305 17th Ave S - 6T FAIR DATE 1-31-85
WHOM DO YOU REPRESENT? CITY - CO. HEALTH DEPT
SUPPORT ✓ OPPOSE _____ AMEND ✓

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WITNESS STATEMENT

Name Jim Lester Date 1/31/05
Address E. Helena, MT Support ? ☒
Representing Mont. Dept. of Health Oppose ? ☐
Which Bill ? HB 186 Amend ? ☐

Comments:

Please leave prepared statement with the committee secretary.

VISITOR'S REGISTER

HOUSE

Local Government

COMMITTEE

BILL HB 135

DATE Jan. 31, 1985

SPONSOR Rep. Emanuel

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE Local Government COMMITTEE

DATE Jan. 31, 1985

SPONSOR Rep. Schye

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITOR'S REGISTER

HOUSE Local Government COMMITTEE

COMMITTEE

BILL HB 160

DATE Jan. 31, 1985

SPONSOR Rep. Grady

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE

COMMITTEE

BILL

HB 186

DATE _____

Jan. 31, 1985

SPONSOR

Rep. Pistoria

[illegible]

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.