

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

February 26, 1985

The meeting of the Local Government Committee was called to order by Chairman Paula Darko on February 26, 1985 at noon in the Gallery on the 4th floor of the State Capitol.

ROLL CALL: All members were present with the exception of Rep. Brown and Rep. Sales who were excused.

The purpose of this meeting was to reconsider action on HB 616, which had been tabled on February 14, 1985.

DISPOSITION OF HOUSE BILL NO. 616: Rep. Stella Jean Hansen moved to reconsider HB 616, and this was seconded by Rep. Sands. Rep. Hansen then moved to DO PASS HB 616, seconded by Rep. Kitselman.

Rep. Kitselman then moved both sets of amendments, and this was seconded by Rep. Fritz. Lee Heiman, Committee Counsel, explained that the new set of amendments which he passed out included both sets of amendments.

Rep. Sands explained what the amendments were supposed to do. The language on page 2, lines 2 to 7, apparently was taken from a previous statute and they are alleviated. They are going to include counties. On page 2, line 15, "the board of county commissioners in the case of a county" is inserted, and on page 2, line 21, "county" is inserted. On page 3 and 4, the boundaries of a district must comply with applicable zoning regulations and the district may not include areas that are zoned primarily as residential areas. On page 5, lines 7 and 8 make it clear that what they can't do is move all their business functions to the business improvement districts and escape business responsibilities. This is to provide services to the public who uses the businesses. Page 7, lines 19 through line 3 on page 8, the purpose is to eliminate Section 13. It prohibits government body from doing its ordinary government services. Page 8, following line 3, a new section has been inserted. If a business improvement district is created, the local governing body must make sure it has adequate liability insurance to cover it. This amendment will be to provide that the method to be used is only on the value of the improvements.

Rep. Wallin asked if there was time to have the yellow bill printed, and Lee Heiman said he thought so.

Rep. Wallin then said he is most concerned about Section 13 which is deleted, and Rep. Sands asked if he wanted to put

that section back. Rep. Wallin replied that he thought he did want to put it back. Without this, you would have to take care of your own police. According to this, if we lose what little we have, this could be done.

Rep. Wallin then moved to reinsert Section 13, and this was seconded by Rep. Gilbert. Rep. Kitselman asked who proposed to strike it in the first place, and Rep. Sands replied that he did. However, he could see the reason for Rep. Wallin's concern, as some protection is needed. Question being called for, motion PASSED UNANIMOUSLY.

Rep. Wallin then made the motion to DO PASS AS AMENDED HB 616 and this was seconded by Rep. Fritz. Question was called for, and motion CARRIED, with Rep. Kitselman and Rep. Pistoria voting "no".

There being no further business before the committee the meeting was adjourned at 12:10 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 2-26-85

| 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> | ✓ | | |
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MEMO

HOB-6/6

for reconsideration
for all amendments as
Darker votes
for bill as amended
for all other motions
as Darker votes

Paul Brown
2/26

Proxy Kitsetman

Reconsider yes

Do Pass yes

Amend yes

Do Pass as yes
amended

Sign

Les Titelman

Malin Proxy

Reconsider *yes*

Do Pass *OK*

Amend. *yes*

Do Pass as amended *yes*

Sign Down Weldon

Sales Proxy HB 616
on motions

Reconsider YES

Do Pass YES

Amend SANDS - YES
PISTORIA - YES, IF IT EXCLUDES AREAS
ZONED RESIDENTIAL.
NO, IF IT JUST EXCLUDES RESIDENCES.

Do Pass as Amended YES

Sign

Walter J. Jones

STANDING COMMITTEE REPORT

Page 1 of 2

February 25 19 85

SPEAKER:
MR.

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 516

FIRST reading copy (WHITE)
color

AUTHORIZING CREATION OF BUSINESS IMPROVEMENT DISTRICTS.

Respectfully report as follows: That HOUSE Bill No. 616

be amended as follows:

1. Page 1, line 18.

Strike: "(1)"

2. Page 2, lines 2 through 7.

Strike: subsection (2) in its entirety

3. Page 2, line 15.

Following: "municipalities"

Insert: ", the board of county commissioners in the case of
a county."

XXXXXX
DO PASS

CONTINUED

February 26, 1985

4. Page 2, line 11.

Following: "municipality"

Insert: ", a county,"

5. Page 3.

Following: line 4

Insert: "(3) The boundaries of a district must comply with applicable zoning regulations and the district may not include areas that are zoned primarily as residential areas."

Re-number: subsequent subsection

6. Page 5, lines 7 and 8.

Strike: "the property owner's business and"

7. Page 6, lines 18 and 19.

Strike: "using as a basis one of the methods"

Insert: "the method"

8. Page 6, lines 23 through 25.

Strike: "The governing body shall adopt one of the following methods of assessing costs for"

Insert: "For"

9. Page 7, lines 1 through 7.

Strike: "i" on line 1 through "The" on line 7

Insert: ", the"

10. Page 7, line 7.

Strike: "may"

Insert: "shall"

11. Page 7, line 12.

Following: "places"

Insert: "if the board determines such assessment to be equitable in proportion to, and not exceeding, the benefits received from the improvements by the lot, tract, or parcel"

12. Page 7, lines 13 through 15.

Strike: subsection (3) in its entirety

13. Page 8.

Following: line 1.

Insert: "Section 14. Liability insurance required. The governing body may not approve the annual budget or the work plan submitted to it by the board unless the annual budget and the work plan provide for liability insurance coverage insuring the district, the board, and the local government against legal liability for personal injury and property damage in an amount determined sufficient for that purpose by the governing body."

AND AS AMENDED, subsequent sections

AMENDMENTS PROPOSED FOR HOUSE BILL 616

NOTE: AMENDMENTS GROUPED BY SUBJECT MATTER NOT PAGE
PLACEMENT

INCLUDE COUNTIES:

1. Page 2, line 15.
Following: "municipality"
Insert: ", the board of county commissioners in the case of
a county,"
2. Page 2, line 21.
Following: "municipality"
Insert: ", a county,"

DELETE LEGISLATIVE FINDINGS AND CONSTRUCTION:

3. Page 1, line 18.
Strike: "(1)"
4. Page 2, lines 2 through 7.
Strike: subsection (2) in its entirety

COMPLY WITH ZONING:

5. Page 3.
Following: line 4
Insert: "(2) The boundaries of a district must comply with
applicable zoning regulations and the district may not
include areas that are zoned primarily as residential
areas."

Renumber: subsequent subsection

DELETE REFERENCE TO ENJOYMENT BY PROPERTY OWNERS:

6. Page 5, lines 7 and 8.
Strike: "the property owner's business and"

DELETE PROHIBITION ON DECREASING PUBLIC SERVICES:

7. Pages 7 line 19 through line 3 of page 8.
Strike: section 13 in its entirety.
Renumber: subsequent sections

LIABILITY INSURANCE IN PLAN:

8. Page 8.
Following: line 3.
Insert: "Section 14. Liability insurance required. The
governing body may not approve the annual budget or the
work plan submitted to it by the board unless the
annual budget and the work plan provide for liability
insurance coverage insuring the district, the board,
and the local government against legal liability for

personal injury and property damage in an amount determined sufficient for that purpose by the governing body."

Renumber: subsequent sections

LIMIT TO ASSESSED VALUATION ASSESSMENT:

9. Page 6, lines 18 and 19.

Strike: "using as a basis one of the methods"

Insert: "the method"

10. Page 6, lines 23 through 25.

Strike: "The governing body shall adopt on of the following methods of assessing costs for"

Insert: "For"

11. Page 7, lines 1 through 7.

Strike: ":" on line 1 through "(2)" on line 7

12. Page 7, line 7.

Strike: "may"

Insert: "shall"

13. Page 7, lines 13 through 15.

Strike: subsection (3) in its entirety

EQUITABLE VALUATION ASSESSMENT:

14. Page 7, line 12.

Following: "places"

Insert: "if the board determines such assessment to be equitable in proportion to and not exceeding the benefits received from the improvements by the lot, tract, or parcel"

AMEND HB 616

1. Page 6, lines 18 and 19.

Strike: "using as a basis one of the methods"

Insert: "the method"

2. Page 6, lines 23 through 25.

Strike: The governing body shall adopt one of the
following methods of assessing costs for"

Insert: "For"

3. Page 7, lines 1 through 7.

Strike: ":" on line 1 through (2) on line 7

4. Page 7, line 7.

Strike: "may"

Insert: "shall"

5. Page 7, lines 13 through 15.

Strike: subsection (3) in its entirety

Jan
Proposed Amendments to House Bill 616

1. Page 2, line 15.
Following: "municipality"
Insert: ", the board of county commissioners in the case of a county"
2. Page 2, line 21.
Following: "municipality"
Insert: ", a county"
3. Page 5, lines 7 and 8.
Following: "of" on line 7
Strike: "the property owners' business and"
4. Page 6, Line 23 through line 15 on page 7.
Following: "Section 11" on line 23 on page 6
Strike: the remainder of lines 23 on page 6 through line 15 on page 7
Insert: "The governing body shall assess the entire cost of the district against the entire district, each lot or parcel of land and improvements within the district to be assessed for that part of the whole cost which its assessed value bears to the assessed value of the entire district, exclusive of streets, alleys, and public places."
5. Page 6, lines 19 through line 3 on page 8.
Strike: Section 13 in its entirety
6. Page 8, line 11.
Following: line 11
Insert: "Section 14. The governing body may not approve the annual budget or work plan submitted to it by the board unless the annual budget and the work plan provide for liability insurance coverage insuring the district, the board, and the local government against legal liability for personal injury and property damage in an amount determined sufficient for that purpose by the governing body."