

MINUTES OF THE MEETING  
LOCAL GOVERNMENT COMMITTEE  
MONTANA STATE SENATE

February 19, 1985

The thirteenth meeting of the Local Government Committee was called to order at 12:30 p.m. on February 19, 1985 by Vice Chairman John Mohar in Room 405 of the Capitol Building. Chairman Fuller arrived shortly.

ROLL CALL: All members were present.

FURTHER CONSIDERATION OF SENATE BILL 241: Karen Renne explained the proposed amendments to the bill. The proposed amendments are attached as Exhibit A to these minutes.

Senator Hirsch moved the amendments on SB 241 be adopted. The motion passed unanimously.

Senator Story expressed concerns about people being assessed a fee even if they were not within distance for a fire truck to be able to reach them in time. He feels that assessing a fee on only structures is a good idea but feels only areas that could be covered by fire protection should be charged the fee and there should be an upper limit put on the fee.

ACTION TAKEN ON SENATE BILL 241: Senator Story moved the Committee recommend a DO NOT PASS as amended on SB 241. The motion passed with Senators Eck, Fuller, and Pinsoneault voting no.

ACTION TAKEN ON SENATE BILL 183: Karen Renne explained the proposed amendments to SB 183. The proposed amendments are attached as Exhibit B to these minutes.

Senator Pinsoneault moved the amendments be adopted. The motion passed unanimously.

Senator McCallum moved the Committee recommend a DO NOT PASS as amended on SB 183. The motion failed with Senators Crippen, Harding, McCallum, and Mohar voting yes and Senators Eck, Hirsch, Pinsoneault, Regan, Story, and Fuller voting no.

Senator Eck moved the Committee recommend a DO PASS as amended on SB 183. The motion passed with the above vote being reversed.

ACTION TAKEN ON SENATE BILL 266: Karen Renne explained the proposed amendments to SB 266. They are attached as Exhibit C to these minutes.

Senator Story moved the amendments be adopted. The motion passed unanimously.

Senator Pinsoneault moved the Committee recommend a DO PASS on SB 266 as amended. The motion passed unanimously.

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ACTION TAKEN ON SENATE BILL 260: Senator Regan moved the Committee recommend a DO NOT PASS on SB 260. The motion passed with Senator Harding voting no.

ACTION TAKEN ON SENATE BILL 25: Karen Renne explained the proposed amendments to this bill. They are attached as Exhibit D to these minutes.

Senator Regan moved the proposed amendments be adopted. The motion passed with Senator Story voting no.

Senator Regan moved the Committee recommend a DO PASS as amended on SB 25. The motion passed with Senators Eck, Harding, Pinsoneault, Regan, Story, and Fuller voting yes and Senators Crippen, Hirsch, and McCallum voting no. Senator Mohar was presenting a bill at another committee meeting and was not present for the vote.

ACTION TAKEN ON SENATE BILL 170: Senator Eck moved the Committee recommend a DO NOT PASS as amended on SB 170. The motion passed with Senators McCallum, Fuller, and Hirsch voting no.

CONSIDERATION OF SENATE BILL 279: Senator Esther Bengston, District #49, is the sponsor of this bill. The bill was introduced to require the approval of electors residing in each municipality and, of those residing in the remainder of the county for adoption of a plan consolidating or transferring services between or among local government units. Also, the bill provides procedures for the electors to terminate a service consolidation or transfer plan. There were proposed amendments submitted on the bill. They are attached as Exhibit E to these minutes.

#### PROPONENTS

Vera Cahoon, representing the Missoula County Freeholders' Association, spoke in favor of the bill. Her written testimony is attached as Exhibit F to these minutes.

John Wittenberg, a Missoula citizen, stated his support of the bill.

#### OPPONENTS

Alec Hansen, representing the Montana League of Cities and Towns, spoke in opposition to the bill. He said it contradicts a basic principle of government of one man/one vote.

Dave Goss, representing the Billings Chamber of Commerce, spoke in opposition to the bill. His written testimony is attached as Exhibit G to these minutes.

Senator Fuller opened the hearing for questions. There were no questions from the Committee on SB 279.

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The hearing was closed on SB 279.

Senator Story moved the Committee adopt the proposed amendments to SB 279.

Senator Regan made a substitute motion that the Committee recommend a DO NOT PASS on SB 279.

The substitute motion failed by a tie vote with Senators Harding, Hirsch, McCallum, Story, and Pinsoneault voting no and Senators Fuller, Crippen, Eck, Regan, and Mohar voting yes.

CONSIDERATION OF SENATE JOINT RESOLUTION 20: Senator Fred Van Valkenburg, District #30, is the sponsor of this resolution. This is a resolution in memory of Allen L. Kimery, a Missoula police officer who was killed in the line of duty.

PROPOSERS

There were no proposers to SJR 20.

OPPOSERS

There were no opposers to SJR 20.

Senator Fuller opened the hearing for questions. There were no questions from the Committee regarding SJR 20.

The hearing was closed on SJR 20.

ACTION TAKEN ON SENATE JOINT RESOLUTION 20: Senator Crippen moved the Committee recommend a DO PASS on SJR 20. The motion passed unanimously.

CONSIDERATION OF SENATE BILL 285: Senator Tom Towe, District #46, is the sponsor of this bill. The bill was introduced to establish a method of determining coal development impact costs incurred by local government units and to authorize appropriation for such costs from the constitutional trust income earnings.

PROPOSERS

There were no proposers to SB 285.

OPPOSERS

James Mockler, Executive Director of the Montana Coal Council, spoke in opposition to the bill. He said if they want to limit what the Coal Board is spending, they should set it up within the Coal Board itself. This bill does not reallocate the funds of the Coal Board which it does need to do.

Senator Fuller opened the hearing for questions.

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Senator Eck asked Senator Towe if he could foresee any possibility of a development such as the one he mentioned coming up without having the five years notice. Senator Towe said while we probably would have enough notice, we still need to establish the formula as a method of protection.

Senator Mohar expressed concern about leaving the authority for developing the formula with the Department of Commerce. Senator Towe said the formula is the formula used by the Congressional Budget Office and that nobody seems to have any difficulty with the figures used in the formula.

The hearing was closed on SB 285.

CONSIDERATION OF SENATE BILL 291: Senator Swede Hammond, District #9, is the sponsor of this bill. This bill was introduced to limit State-mandated audits of municipalities to first, second, and third class cities.

#### PROPOSERS

Alec Hansen, representing the Montana League of Cities and Towns, spoke in favor of the bill. He said it is not reasonable that a small town in Montana should spend half of its budget on audits. He realizes that there may be some problems in meeting federal audit requirements. This should, however, not be a major cost of a small town budget.

Rick Lawrence, Superintendent of Schools in Dodson, spoke in favor of the bill. He said audits are a financial burden and they cannot afford them.

Bill Verwolf, representing the Montana Municipal Clerks and Finance Officers Association, stated his support of the bill.

#### OPPOSERS

Sandra Whitney, representing the Montana Taxpayers' Association, spoke in opposition to the bill. Her written testimony is attached as Exhibit H to these minutes.

Don Dooley, representing the Department of Commerce, spoke in opposition to the bill. His written testimony is attached as Exhibit I to these minutes.

Senator Fuller opened the hearing for questions.

Senator McCallum asked Mr. Dooley if towns could use a CPA without permission from the Department of Commerce. Mr. Dooley said they could.

February 19, 1985

Senator Harding asked Mr. Dooley what he would suggest to keep the high cost of the audits down. Mr. Dooley said if the water and sewer departments paid their portions of the audits, it would spread the costs among the various revenue sources.

Senator Pinsoneault asked Mr. Dooley how many years had to be covered by an audit. Mr. Dooley said audits are required every two years and some communities ask for an annual audit.

The hearing was closed on SB 291.

CONSIDERATION OF SENATE BILL 325: Senator Fred Van Valkenburg, District #30, is the sponsor of this bill. The bill was introduced to establish a permissive statewide emergency telephone system, to provide for a state plan, to provide for telephone industry coordination, to provide for coin telephone conversion, to provide for funding of the system by levying a telephone fee, and to provide an effective date.

Senator Van Valkenburg distributed a fact sheet regarding SB 325. It is attached as Exhibit J to these minutes.

#### PROPONENTS

Iona Baertsch, representing the 911 Center in Missoula, spoke in favor of the bill. She said the bill would provide one access number statewide for emergency services. This is the same number that is used nationally. Some states have statewide coverage of 911 funded in the same manner as proposed in this bill. She played a recording of an incident that took place in Missoula when a child called 911 after seeing a stranger in her yard.

Martin Stefanic, Chief of Police in Kalispell, spoke regarding the bill. While he supports the concept of the bill, he does not feel that the fee of twenty five cents per phone line will cover the cost of the proposal. He also feels the bill would expand bureaucracy by having the administration of the proposal at the state level. He said it should be kept at the local level where the state will not be keeping seven percent of the funding for administration.

Ellen Feaver, representing the Department of Administration, spoke in favor of the bill. She said the Department would like to go on record as supporting the bill.

Larry Petersen, representing the Montana Board of Crime Control, spoke in favor of the bill. His written testimony is attached as Exhibit K to these minutes.

Barry Hjort, representing the Montana Emergency Medical Association, state his support of the bill.

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Bruce Svenean, representing the Montana Fire Chiefs' Association, stated his support of the bill.

Jerry Loendorf, representing the Montana Medical Association, stated his support of the bill.

Joan Mandeville, representing the Public Service Commission, spoke in favor of the bill. Her written testimony is attached as Exhibit L to these minutes.

John Scully, representing the Sheriffs' and Peace Officers' Association, said they are in favor of the concept of the bill but have concerns with everyone being assessed a fee even if they do not receive the services.

#### OPPONENTS

Jim Hughes, representing Mountain Bell, said they endorse the concept of the bill but it should be a local decision that local governments make and funding should occur locally. They oppose using the phone bill to assess taxes on people. They also feel the proposed charge of twenty five cents per phone line would not cover the costs.

Lyle Nagel, representing the Montana Voluntary Firemens' Association, spoke in opposition to the bill. He said in small areas people would reach the sheriff when they called 911 and the sheriff would then have to call the rural fire department. If pagers are used, the money to purchase them is not included in this proposal.

Senator Fuller opened the hearing for questions.

Senator Story asked how Missoula got funds for their system. Ms. Baertsch said they received a grant from the Bandid Corporation to start with and then local funding took over.

The hearing was closed on SB 325.

CONSIDERATION OF SENATE BILL 293: Senator Fred Van Valkenburg, District #30, is the sponsor of this bill. The bill was introduced to authorize counties and municipalities to impose a local option income tax through a majority vote of their electors, to provide that a county local option income tax includes municipalities within the county with appropriate proceeds going to the municipalities, to provide for administration of the tax by the Department of Revenue, and to provide an effective date and an applicability date.

Senator Van Valkenburg submitted proposed amendments to SB 293. They are attached as Exhibit M to these minutes.

February 19, 1985

PROPONENTS

Nadiean Jensen, representing AFSCME, spoke in favor of the bill. Her written testimony is attached as Exhibit N to these minutes.

Alec Hansen, representing the Montana League of Cities and Towns, spoke in favor of the bill. They feel it is a very fair form of taxation. It is important to develop some new sources of revenue for local governments. The only choice now is raising mill levies or cutting services. Property taxes have reached the point of being intolerable to taxpayers.

Nathan Tubergen, Finance Director for the City of Great Falls, stated his support of the bill.

Dan Dennehy, representing Butte Silver Bow local governments, stated his support of the bill.

Gordon Morris, representing the Montana Association of Counties, stated his support of the bill.

Greg Jackson, representing Urban Coalition, stated his support of the bill.

Mike Young, representing the City of Missoula, stated his support of the bill.

Bill Verwolf, representing the City of Helena, stated his support of the bill.

Linda Stoll Anderson, Lewis and Clark County Commissioner, stated her support of the bill.

OPPONENTS

Dennis Burr, representing the Montana Taxpayers' Association, spoke in opposition to the bill. He feels something more substantial than what is contained in this bill needs to be done. He is afraid the administrative costs would be tremendous.

Vera Cahoon, representing the Missoula County Freeholders' Association, spoke in opposition to the bill. Her written testimony is attached as Exhibit O to these minutes.

The meeting adjourned at 2:30 p.m.

  
Senator Dave Fuller, Chairman

# ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

49th  
~~XXXX~~ LEGISLATIVE SESSION -- 1985

Date 2-19-85

SENATE  
SEAT  
#

	NAME	PRESENT	ABSENT	EXCUSED
13	Senator Crippen, Bruce	✓		
18	Senator Eck, Dorothy	✓		
11	Senator Harding, Ethel	✓		
47	Senator Hirsch, Les	✓		
4	Senator McCallum, George	✓		
28	Senator Mohar, John (V.Chair)	✓		
14	Senator Pinsoneault, Dick	✓		
19	Senator Regan, Pat	✓		
21	Senator Story, Pete	✓		
43	Senator Fuller, Dave (Chair)	✓		

Each day attach to minutes.



COMMITTEE ON

LOCAL GOVT

DATE

2-19-85

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
MARTIN STEFANIC	Mt. Chief's of Police	325		
Nadrian Jensen	A F S C M E	293	X	
Dennis Burr	MontAX	293		X
JAY DOWNEN	MONTANA TELEPHONE ASSN.	325		
Mary Vant Hull	Bozeman City Commission	293	X	
Vera Carlson	Msia Co. Freeholders	279	X	
" "	" "	293		X
Verne Imboden	Missoula	293	<del>AMEND</del>	X
John R. Witterberg	Missoula	293		X
" "	" "	279	X	
Don Doherty	Dept. of Commerce	291		X
Verne Imboden	Missoula	279	X	
Don Doherty	Butte - Silver Bow	293	X	
Steve Spitzer	State Librarian	279		
Don Macmillan	Mt. Public Service Comm.	325		
Larry Petersen	Board of Crime Control	325	X	
Bruce Samson	Career Fair Chief	325	X	
Tony Herbert	Dept. of Admin	325		
Mike Trevor	Dept. of Admin	325	✓	
B. Morris	MACE	325 285 293 279	✓	
Roland P. Pratt	Mt. Restaurant Assoc.	293		X
Gene Hughes	MTN. BELL	325	AMEND	
Graig Jackson	Urban Coalition	293	✓	
Mike Young	CITY OF MISSOULA	293	✓	
BARRY L. HICKS	MEMSA	325	✓	
Lyle Nagel	Mont. State Vol. Firemen's Assn.	325	Amend	

2-19-85

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretariat)

# STANDING COMMITTEE REPORT

Page 1 of 3 Pages  
Senate Bill 25

FEBRUARY 20

85

19.....

MR. PRESIDENT

## Local Government

We, your committee on .....

Senate Bill

25

having had under consideration.....

No.....

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reading copy ( )

color

## State Funding for Certain District Court Expenses

Senate Bill

25

Respectfully report as follows: That.....

No.....

be amended as follows:

1. Title, line 9.

Following: "7-6-2426,"

Insert: "7-6-2427,"

2. Title, line 10.

Following: "46-14-202,"

Insert: "46-14-221,"

3. Page 6, lines 9 through 19.

Following: "counties."

Strike: remainder of line 9 through line 19

(continued)

~~XXXXXX~~

DO NOT PASS

~~XXXXXXXXXX~~

DO NOT PASS

CONTINUED

Chairman.

4. Page 10, line 3.

Following: line 2

Insert: "Section 8. Section 7-6-2427, MCA, is amended to read:

"7-6-2427. Special provisions for certain charges related to criminal prosecutions. (1) Notwithstanding 7-6-2426, all costs of a criminal prosecution, including attorneys' fees, of an offense committed in the state prison are not charges against the county in which the state prison is located. Such costs shall be paid by the department of institutions.

~~(2) --When a criminal action is removed before trial, the costs accruing upon such removal and trial must be a charge against the county in which the indictment was found or information filed."~~

Renumber: subsequent sections

5. Page 13, line 6.

Following: line 5

Insert: "Section 14. Section 46-14-221, MCA, is amended to read:

"46-14-221. Determination of fitness to proceed - effect of finding of unfitness - expenses. (1) The issue of the defendant's fitness to proceed may be raised by the defendant or his counsel or by the county attorney. When the issue is raised, it shall be determined by the court. If neither the county attorney nor counsel for the defendant contests the finding of the report filed under 46-14-203, the court may make the determination on the basis of the report. If the finding is contested, the court shall hold a hearing on the issue. If the report is received in evidence upon the hearing, the parties have the right to summon and cross-examine the psychiatrists who joined in the report and to offer evidence upon the issue.

(continued)

CONTINUED

FEBRUARY 20

19 85

(2) If the court determines that the defendant lacks fitness to proceed, the proceeding against him shall be suspended, except as provided in subsection (4) of this section, and the court shall commit him to the custody of the director of the department of institutions to be placed in an appropriate institution of the department of institutions for so long as the unfitness endures. The committing court shall, within 90 days of commitment, review the defendant's fitness to proceed. If the court finds that he is still unfit to proceed and that it does not appear that he will become fit to proceed within the reasonably foreseeable future, the proceeding against him shall be dismissed, except as provided in subsection (4) of this section, and the county attorney shall petition the court in the manner provided in chapter 20 or 21 of Title 53, whichever is appropriate, to determine the disposition of the defendant pursuant to those provisions.

(3) If the court determines that the defendant lacks fitness to proceed because he is developmentally disabled as provided in 53-20-102(4), the proceeding against him shall be dismissed and the county attorney shall petition the court in the manner provided in chapter 20 of Title 53.

(4) The fact that the defendant is unfit to proceed does not preclude any legal objection to the prosecution which is susceptible to fair determination prior to trial and without the personal participation of the defendant.

(5) The expenses of sending the defendant to the custody of the director of the department of institutions to be placed in an appropriate institution of the state department of institutions, of keeping him there, and of bringing him back are chargeable to the state but the state may recover them from the estate of the defendant and payable as provided in [section 2]."

Renumber: subsequent sections

6. Page 14, line 20.

Following: line 19

Insert: "NEW SECTION. Section 18. Coordination instruction. If Senate Bill No. 142 is not passed and approved, this act is void."

Renumber: subsequent section

AND AS AMENDED

DO PASS

.....Senator Dave Fuller, Chairman

# STANDING COMMITTEE REPORT

FEBRUARY 23

19 35

MR. PRESIDENT

## LOCAL GOVERNMENT

We, your committee on .....

## SENATE JOINT RESOLUTION

No. 20

having had under consideration .....

FIRST

WHITE  
IN

reading copy ( )

color

## RESOLUTION IN MEMORY OF SERGEANT ALLEN L. KINERY

## SENATE JOINT RESOLUTION

No. 20

Respectfully report as follows: That .....

DO PASS

~~DO NOT PASS~~

Senator Dave Fuller

Chairman.

# STANDING COMMITTEE REPORT

February 20

19 85

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT

having had under consideration SENATE BILL No. 260

FIRST reading copy ( WHITE )  
color

**DEPUTY AND UNDERSHERIFF LONGEVITY - NOT MANDATORY -  
CAP ON TOTAL AMOUNT**

Respectfully report as follows: That SENATE BILL No. 260

~~DO NOT PASS~~

DO NOT PASS

~~Senator Dave Fuller~~

Chairman.

# STANDING COMMITTEE REPORT

February 23

85

19.....

MR. PRESIDENT

## LOCAL GOVERNMENT

We, your committee on .....

## SENATE BILL

266

having had under consideration..... No.....

FIRST

WHITE

reading copy ( )

color

## ALLOW BOUNDARY ALTERATION ON CREATION OF RURAL FIRE DISTRICT

## SENATE BILL

266

Respectfully report as follows: That..... No.....

be amended as follows:

1. Page 1, line 32.  
Following: "any"  
Insert: "freeholder's"
2. Page 1, line 23.  
Following: "parcels of"  
Insert: "the freeholder's"

AND AS AMENDED

DO PASS

~~XXXXXXXXXX~~  
~~DO NOT PASS~~

Senator Dave Fuller

Chairman.



# STANDING COMMITTEE REPORT

FEBRUARY 20

19 85

MR. PRESIDENT

## LOCAL GOVERNMENT

We, your committee on .....

## SENATE BILL

having had under consideration..... No. 183

**FIRST**

reading copy ( **WHITE** )  
color

## VACANCIES ON COUNTY COMMISSION TO BE FILLED BY COMMISSIONERS

Respectfully report as follows: That..... **SENATE BILL**..... No. 183

be amended as follows:

1. Title, line 6.

Following: "COMMISSIONERS;"

Insert: "PROVIDING A PROCEDURE FOR FILLING SUCH A VACANCY;"

2. Page 1, line 20.

Following: line 19

Insert: "The procedure to be used to fill the vacancy is  
as follows:

(a) If the former incumbent represented a party eligible for a primary election under 13-10-601, the county central committee of that party shall submit to the remaining commissioners three names of people who have lived in the unrepresented district for at least 2 years preceding the day the vacancy occurs, and the remaining commissioners shall appoint one of these three to fill the vacancy.

(b) If the former incumbent was independent or was originally nominated by a party that does not meet the requirements of 13-10-601, or if the vacancy occurs from a failure to elect, the remaining commissioners shall invite applications for the vacancy in a notice published as provided in 13-1-108 and shall accept an application from any person who has lived in the unrepresented district for at least 2 years preceding the day the vacancy occurs. The remaining commissioners shall appoint one of these applicants to fill the vacancy."

**AND AS AMENDED**

**DO PASS**

~~XXXXXXXXXX~~

Senator Dave Fuller

Chairman.

# STANDING COMMITTEE REPORT

Page 1 of 2  
Senate Bill 170

FEBRUARY 20 1985

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT  
having had under consideration SENATE BILL No. 170  
FIRST reading copy ( WHITE )  
color

## COUNTY FAIRS REVISION OF FUNDING LIMITS

Respectfully report as follows: That SENATE BILL No. 170

be amended as follows:

1. Title, lines 5 and 6.  
Following: "AND TO" in line 5  
Strike: remainder of line 5 through "ON THE" in line 6  
Insert: "INCREASE THE MAXIMUM"
2. Title, line 7.  
Following: "7-21-3407"  
Strike: ", "  
Insert: "AND"  
Following: "7-21-3410,"  
Strike: "AND"
3. Title, line 8.  
Following: line 7  
Strike: "7-21-3412,"
4. Page 1, line 22.  
Following: "\$3,500,"  
Insert: "not to exceed \$3,500,"
5. Page 1, line 25.  
Following: "county,"  
Insert: "and/or junior fair and for advertising the  
products and resources of their county."

~~XXXXXX~~

~~XXXXXXXXXX~~

CONTINUED

~~Senator David Barker~~

Chairman.

FEBRUARY 20

85

..... 19.....

6. Page 2, line 4.  
Following: "less"  
Insert: "of 3 mills or less"  
Following: "dollar-of"  
Insert: "each dollar of"
7. Page 2, lines 15 through 25.  
Strike: section 3 in its entirety  
Renumber: subsequent section

AND AS AMENDED

DO NOT PASS

.....  
Senator Dave Fuller, Chairman

# STANDING COMMITTEE REPORT

FEBRUARY 23

19 85

MR. PRESIDENT

## LOCAL GOVERNMENT

We, your committee on.....

## SENATE BILL

241

having had under consideration..... No.....

FIRST

WHITE

reading copy ( )  
color

## COUNTY FIRE PROTECTION - FEE ON IMPROVEMENTS - LEVY FOR FIRE EMERGENCIES

## SENATE BILL

241

Respectfully report as follows: That..... No.....

be amended as follows:

1. Title, line 7.  
Following: "ACTIVITIES"  
Insert: "OF FIRE COMPANIES"
2. Page 2, line 5.  
Following: "service"  
Insert: "by fire companies"
3. Page 2, line 6.  
Following: "property"  
Insert: "and all mobile homes not taxed as improvements  
under 15-24-202,"
4. Page 2, line 7.  
Following: "improvements"  
Insert: "and mobile homes"
5. Page 2, line 15.  
Following: "property"  
Insert: "or mobile home"  
Following: "with the"  
Insert: "applicable"

## AND AS AMENDED

XXXXXX  
DO PASS

DO NOT PASS

Senator Dave Fuller

Chairman.

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT A

*passed*

~~PROPOSED~~ AMENDMENTS TO SB 241  
(requested by sponsor; modified by researcher)

1. Title, line 7.  
Following: "ACTIVITIES"  
Insert: "OF FIRE COMPANIES"
2. Page 2, line 5.  
Following: "service"  
Insert: "by fire companies"
3. Page 2, line 6.  
Following: "property"  
Insert: "and all mobile homes not taxed as improvements  
under 15-24-202,"
4. Page 2, line 7.  
Following: "improvements"  
Insert: "and mobile homes"
5. Page 2, line 15.  
Following: "property"  
Insert: "or mobile home"  
Following: "with the"  
Insert: "applicable"

PROPOSED AMENDMENTS TO SB 183

1. Title, line 6.  
Following: "COMMISSIONERS;"  
Insert: "PROVIDING A PROCEDURE FOR FILLING SUCH A VACANCY;"
2. Page 1, line 20.  
Following: line 19  
Insert: "The procedure to be used to fill the vacancy is  
as follows:
  - (a) If the former incumbent represented a party eligible for a primary election under 13-10-601, the county central committee of that party shall submit to the remaining commissioners three names of people who have lived in the unrepresented district for at least 2 years preceding the day the vacancy occurs, and the remaining commissioners shall appoint one of these three to fill the vacancy.
  - (b) If the former incumbent was independent or was originally nominated by a party that does not meet the requirements of 13-10-601, or if the vacancy occurs from a failure to elect, the remaining commissioners shall invite applications for the vacancy in a notice published as provided in 13-1-108 and shall accept an application from any person who has lived in the unrepresented district for at least 2 years preceding the day the vacancy occurs. The remaining commissioners shall appoint one of these applicants to fill the vacancy."

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT C

PROPOSED AMENDMENT TO SENATE BILL 266

1. Page 1, line 22.  
Following: "any"  
Insert: "freeholder's"
2. Page 1, line 23.  
Following: "parcels of"  
Insert: "the freeholder's"

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT D

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 14, 1985  
EXHIBIT G

*ated*  
~~PROPOSED~~ AMENDMENTS TO SB 25

- Clayton  
Gibson  
4/8/91*
1. Title, line 9.  
Following: "7-6-2426,"  
Insert: "7-6-2427,"
  2. Title, line 10.  
Following: "46-14-202,"  
Insert: "46-14-221,"
  3. Page 6, lines 9 through 19.  
Following: "counties."  
Strike: remainder of line 9 through "session." in line 19
  4. Page 10, line 3.  
Following: line 2  
Insert: "Section 8. Section 7-6-2427, MCA, is amended to read:

**"7-6-2427. Special provisions for certain charges related to criminal prosecutions.** (1) Notwithstanding 7-6-2426, all costs of a criminal prosecution, including attorneys' fees, of an offense committed in the state prison are not charges against the county in which the state prison is located. Such costs shall be paid by the department of institutions.

~~(2) When a criminal action is removed before trial, the costs accruing upon such removal and trial must be a charge against the county in which the indictment was found or information filed."~~

Renumber: subsequent sections

5. Page 13, line 6.  
Following: line 5.  
Insert: "Section 14. Section 46-14-221, MCA, is amended to read:

**"46-14-221. Determination of fitness to proceed — effect of finding of unfitness — expenses.** (1) The issue of the defendant's fitness to proceed may be raised by the defendant or his counsel or by the county attorney. When the issue is raised, it shall be determined by the court. If neither the county attorney nor counsel for the defendant contests the finding of the report filed under 46-14-203, the court may make the determination on the basis of the report. If the finding is contested, the court shall hold a hearing on the issue. If the report is received in evidence upon the hearing, the parties have the right to summon and cross-examine the psychiatrists who joined in the report and to offer evidence upon the issue.

(2) If the court determines that the defendant lacks fitness to proceed, the proceeding against him shall be suspended, except as provided in subsection (4) of this section, and the court shall commit him to the custody of the director of the department of institutions to be placed in an appropriate institution of the department of institutions for so long as the unfitness endures. The committing court shall, within 90 days of commitment, review

the defendant's fitness to proceed. If the court finds that he is still unfit to proceed and that it does not appear that he will become fit to proceed within the reasonably foreseeable future, the proceeding against him shall be dismissed, except as provided in subsection (4) of this section, and the county attorney shall petition the court in the manner provided in chapter 20 or 21 of Title 53, whichever is appropriate, to determine the disposition of the defendant pursuant to those provisions.

(3) If the court determines that the defendant lacks fitness to proceed because he is developmentally disabled as provided in 53-20-102(4), the proceeding against him shall be dismissed and the county attorney shall petition the court in the manner provided in chapter 20 of Title 53.

(4) The fact that the defendant is unfit to proceed does not preclude any legal objection to the prosecution which is susceptible to fair determination prior to trial and without the personal participation of the defendant.

(5) The expenses of sending the defendant to the custody of the director of the department of institutions to be placed in an appropriate institution of the state department of institutions, of keeping him there, and of bringing him back are chargeable to the state but the state may recover them from the estate of the defendant."

and payable as provided in [section 2].

Renumber: subsequent sections

*6. Next Page*



*Additional  
Amendments*

PROPOSED AMENDMENT TO SB 25 (in addition to  
amendments passed by Local Government Committee 2/14/85)

6. Page 14, line 20.

Following: line 19

Insert: "NEW SECTION. Section **16**. Coordination instruction.  
If Senate Bill No. 142 is not passed and approved, this  
act is void."

Renumber: subsequent sections

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT E

PROPOSED AMENDMENTS TO SB 279

1. Page 2, line 18.  
Following: "county"  
Strike: "are"  
Insert: "is"
2. Page 5, line 11.  
Following: "county"  
Strike: "are"  
Insert: "is"

NAME Kera Cahoon BILL NO. SB-279  
ADDRESS St Rte Banner DATE 2/19  
WHOM DO YOU REPRESENT Missouri County Freeholders  
SUPPORT ☒ OPPOSE ☐ AMEND ☐

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The bill is simple, easily understood  
& completely fair.  
It provides a very fair method  
by which we may decide how  
our gov't will function.

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT F

*Dave Goss*

# Billings Area

CHAMBER OF COMMERCE



LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT G

The Billings Area Chamber of Commerce is opposed to SB 279 and urges that this bill be given a "do not pass" recommendation. SB 279 would change current law and require that any proposed service consolidation or transfer be approved by separate majorities, that is a majority of those voting in each affected municipality and the majority of those voting in the remainder of the county.

To require separate majorities would allow a minority of those voting to decide an issue affecting everyone, thereby making one person's vote stronger than that of his neighbor. The Billings Chamber believes that a service that will be paid for by everyone should be implemented through a majority rule, this is the basis of our entire system of government.

Supporters of the measure argue that this bill is needed in order to prevent urban voters from pushing their desires onto the rural residents. However, current law provides numerous steps whereby rural and urban voters alike have an opportunity to have their voice heard. Also practical application of the current law shows that the fears of rural residents have not materialized. For example, Yellowstone County has had two votes in recent years to consolidate law enforcement in that county. Although implementation of this consolidation would have meant a substantial property tax savings to city residents, and although city residents are a large majority of the county's total population, the consolidation plan did not pass because it failed to get a majority of all those voting. The present system does work.

In 1983 this proposal was introduced as HB 189. At that time it was given a "do not pass" recommendation by a majority of all those voting on the House Local Government Committee. An attempt to revive it on the floor of the House was also defeated by a majority of all those voting. The Chamber urges you to protect the rule of majority and defeat SB 279.

# MONTANA TAXPAYERS Association



P O BOX 4909

1706 NINTH AVENUE

HELENA, MONTANA 59604

406 442-2130

February 19, 1985

To: Senate Local Government Committee

Re: Senate Bill 291 - An act to limit state-mandated audits of municipalities to first, second and third class cities.

Mr. Chairman & Members of the Committee:

For the record, I am Sandra Whitney from the Montana Taxpayers Association.

The Montana Constitution, Article VIII, Sec. 1.2 states "The legislature shall by law insure strict accountability of all revenue received and money spent by the state and counties, cities, towns, and all other local government entities."

If this bill were to pass, 77 towns or 61% of the 126 incorporated municipalities in Montana, would be exempt from mandated audits and accompanying public scrutiny. Plains and St. Ignatius fall into this group. In addition, there are twenty 3rd class cities, including Troy and Malta, which, based on the 1980 census and under the provisions of MCA 7-1-4112, would be eligible to convert their status to town. They also could then avoid audits.

The Montana Taxpayers Association maintains that such a situation would be in direct violation of the Montana Constitution Article VIII, Sec. 1.2, and we therefore respectfully recommend that Senate Bill 291 be killed.

Thank you.

BY THE DEPARTMENT OF COMMERCE ON SENATE BILL NO. 291

Mr. Chairman and members of the Committee:

I represent the Department of Commerce, and appear today to provide the Committee with the Department's perspective as to the audit of Montana town governments, primarily the State's interest in such audits and their cost.

Montana's Constitution, Article VIII, Section 12, requires that "(T)he legislature shall by law insure strict accountability of all revenue received and money spent by the state and counties, cities, towns, and all other local governmental entities." The audits performed by the Department of Commerce, or by certified public accountants under contracts with the Department, fulfill this requirement for local governments by reporting on the accuracy of towns financial statements and by testing for compliance with a multitude of state laws and regulations.

In addition to the constitutional requirement for strict accountability, current federal law requires comprehensive financial/compliance audits to be conducted of certain entities which receive federal funds, including revenue sharing, community development block grants and environmental protection agency grant funds. At the local level, towns which issue revenue bonds to fund water or sewer projects are required by their bond underwriters to have regular audits of their enterprise fund operations.

The audit costs for towns, as well as for other local governments, have increased in recent years, due in part to the elimination of State general fund support for the municipal audit program. Even with these increases, the cost of audits for towns does not appear unreasonable when compared to the total cash receipts for the various towns. As detailed on the attached schedule, the cost of town audits has averaged 0.65% of the towns' total cash receipts for the periods being audited.

The audit costs for towns are often increased due to improperly maintained records; erroneous, incomplete or missing financial statements; investigations into possible misuse of funds; the provision of technical assistance; and training of town financial personnel. Whatever the ultimate cost of the audit, some towns pay the entire fee out of the town all-purpose general fund. This unfairly burdens that fund, which in most towns is at the maximum allowable tax levy. The audit costs should properly be allocated to not just the general fund, but also to the enterprise funds (water and sewer operations) and to revenue sharing and federal grant funds, where applicable.

The Department has attempted to conduct audits in as cost-efficient a manner as possible, while meeting generally accepted auditing standards and dealing with the proliferation of federal, state and local programs. The Department of Commerce stands ready to discuss its audit program with the Senate Local Government Committee at any time.

SUMMARY OF TOWN AUDIT COSTS

Name of Town	Audit Fee Last Audit	Fiscal Yrs. Covered	Audit Cost Per Year	Total Cash Receipts for Period	Audit Cost as a Percentage of Total Receipts for Period
Alberton*	2,790	3	930	192,820	1.4%
Fairville	1,810	2	905	148,114	1.2%
Fearcreek	550	2	275	25,096	2.2%
Belt*	2,125	1	2,125	246,166	.9%
Fig Sandy*	2,060	2	1,030	319,762	.6%
Foulder	3,139	2	3,139	298,253	1.1%
Fridger	2,694	2	1,347	373,032	.7%
Broadus	3,734	2	1,867	956,271	.4%
Broadview	1,134	2	567	127,659	.9%
Prockton*	1,800	2	900	108,225	1.7%
Browning	3,760	2	1,880	630,727	.6%
Cascade*	1,195	1	1,195	178,270	.7%
Chester	4,202	2	2,101	899,267	.5%
Circle	2,850	2	1,425	463,145	.6%
Clyde Park*	1,800	2	900	97,259	1.9%
Columbus*	3,600	1	3,600	548,593	.7%
Culbertson	2,697	1	2,697	610,557	.4%
Darby	2,350	2	1,175	399,049	.6%
Denton	2,018	2	1,009	168,352	1.2%
Dodson	4,251	3	1,417	145,984	2.9%
Drummond	1,966	2	983	92,156	2.1%
Dutton	2,590	2	1,295	238,343	1.1%
Ekalaka	3,000	3	1,000	321,910	.9%
Ennis*	1,750	1	1,750	226,113	.8%
Eureka	3,006	2	1,503	477,700	.6%
Fairfield	2954	2	1,477	1,111,676	.3%
Fairview	4,471	3	1,490	1,429,423	.3%
Flaxville	3,375	4	844	139,528	2.4%
Froid	3,523	3	1,174	320,101	1.1%
Fromberg	2,122	2	1,061	179,127	1.2%
Geraldine* - Last State audit through FY79, contract audit information not available					
Grass Range	2,460	2	1,230	123,693	2.0%
Hingham	2,405	3	802	143,161	1.7%
Hobson	1,524	3	508	67,020	2.3%
Hot Springs	1,275	1	1,275	184,897	.7%
Hysham*	2,000	2	1,000	180,917	1.1%
Ismay	375	5	75	17,514	2.1%
Joliet	2,876	2	1,438	241,844	1.2%
Jordan	1,825	2	913	150,123	1.2%
Judith Gap*	625	1	625	50,901	1.2%
Kevin	4,888	3	1,629	290,912	1.7%
Lavina	1,650	3	550	36,002	4.6%
Lima	2,122	2	1,061	84,265	2.5%
Lodge Grass*	1,250	1	1,250	242,581	.5%
Lanhattan*	1,800	1	1,800	250,524	.7%
Medicine Lake	2,668	2	1,334	313,469	.9%
Melstone	1,950	3	650	186,865	1.8%
Moore	1,900	2	950	61,831	2.8%
Neeland*	6,200	2	3,100	289,894	3.5%



SUMMARY OF TOWN AUDIT COSTS - cont.

Name of Town	Audit Fee Last Audit	Fiscal Yrs. Covered	Audit Cost Per Year	Total Cash Receipts for Period	Audit Cost as a Percentage of Total Receipts for Period
Meihart	\$ 810	1	\$ 810	\$ 43,193	1.9%
Opheim*	1,825	2	913	93,787	1.9%
Outlook	1,810	2	905	52,539	3.4%
Philipsburg	4,043	3	1,348	580,966	.7%
Plains	4,982	2	2,491	3,747,019	.1%
Plevna	3,185	3	1,062	130,538	2.4%
Rexford	1,602	2	801	53,127	3.0%
Richey*	1,350	1	1,350	34,324	3.9%
Ryegate*	1,325	1	1,325	67,075	2.0%
Saco	4,306	2	2,153	166,046	2.6%
St. Ignatius	3,032	2	1,516	1,600,782	.2%
Sheridan*	1,460	1	1,460	131,782	1.1%
Stanford	3,344	2	1,672	236,406	1.4%
Stevensville	2,700	2	1,350	965,415	.3%
Sunburst	2,408	5	482	1,956,052	.1%
Superior*	2,100	1	2,100	229,874	.9%
Terry	3,445	2	1,723	551,751	.6%
Thompson Falls*	3,000	1	3,000	723,951	.4%
Twin Bridges*	1,350	1	1,350	94,427	1.4%
Valier*	1,495	1	1,495	210,570	.7%
Virginia City	2,538	2	1,269	110,738	2.3%
Westby*	2,600	2	1,300	354,054	.7%
West Yellowstone*	1,550	1	1,550	410,789	.4%
Whitehall	2,850	2	1,425	514,545	.6%
Wibaux	3,942	2	1,971	762,482	.5%
Winifred	1,850	2	925	52,319	3.5%
Winnett	<u>2,700</u>	3	900	<u>331,128</u>	<u>.8%</u>
	\$ <u>186,511</u>			\$ <u>28,553,772</u>	<u>.65%</u>

\*CFA conducted audits

Average Audit Cost - .65% of Cash Receipts for Period  
Median Audit Cost - 1.1% of Cash Receipts for Period  
High Audit Cost - 4.6% of Cash Receipts for Period  
Low Audit Cost - .1% of Cash Receipts for Period

NATE BILL 325

PROPOSED 9-1-1 LEGISLATION will provide everyone in Montana with a standard method for reporting emergencies. (DIAL 9-1-1) Currently residents of Montana and visitors to the state are faced with confusion and loss of time in reporting fire, medical, and law enforcement emergencies.

Dialing "0" for the telephone operator is no longer a viable option since operators are located in Billings or Salt Lake City and are not trained to be familiar with the different locations or methods of handling emergencies.

At the present time, only 18 communities in Montana have 9-1-1 available for reporting emergencies. With a 9-1-1 program in place state wide, EVERYONE can dial 9-1-1, no matter WHERE they are or WHAT the emergency is.

PROPOSED 9-1-1 LEGISLATION INCLUDES:

- (1) The entire program of implementation being funded by imposing a fee of 25 cents monthly on each consumer's telephone access line for making 9-1-1 available throughout Montana.
- (2) Regulation of minimum standards for 9-1-1 answering points to maintain credibility throughout the state; and
- (3) Conversion of all public pay telephones to coin-free dialing for emergency assistance.

FUNDING WOULD BE USED FOR:

- (1) Phone equipment changes needed to implement the program where it is presently non-existent and incomplete;
- (2) Cost of collecting fee by telephone companies;
- (3) Administration of the 9-1-1 program on a state level; and
- (4) Balance divided for cities and counties per capita, to be used for on-going operating expenses and for improving 9-1-1 systems.



BOARD OF CRIME CONTROL

303 NORTH ROBERTS  
SCOTT HART BUILDING  
HELENA, MONTANA 59620  
TELEPHONE NO. 444-3604

IN REPLY REFER TO:  
SB 325

The Montana Board of Crime Control supports the concept of a statewide, emergency, 9-1-1 telephone system funded in part by a surcharge imposed for telephone exchange access services.

Historical Perspective:

1976 - Montana Justice Project

*In order to dispatch emergency services, including law enforcement, more efficiently to both rural and urban areas, no later than 1980, local governments in each Montana community shall begin steps to centralize their communication facilities and cooperate with their local telephone company or cooperative in adopting a free universal emergency telephone number. (Community Crime Prevention Report, Standard 2.3)*

1973 - National Advisory Commission on Criminal Justice Standards and Goals

*Every police agency should, by 1982, obtain single emergency telephone service, and the cost of such service should be borne by the private telephone subscriber. (Police Report, Standard 23.1)*

1967 - The President's Commission on Law Enforcement and the Administration of Justice

*Wherever practical, a single police telephone number should be established, at least within a metropolitan area and eventually over the entire United States, ..... (The Challenge of Crime in a Free Society, p. 250)*

Based on Board discussions concerning a statewide, emergency, 9-1-1 telephone system, I believe the Board's concerns will be met if SB 325 is approved.

A. Laurence Petersen, Chief  
Research & Planning Bureau  
Montana Board of Crime Control

TESTIMONY OF THE MONTANA PUBLIC SERVICE COMMISSION

February 10, 1985

The Montana Public Service Commission supports the general concept of a statewide 9-1-1 system and does not appear to recommend that this bill does not pass. However, the Commission would propose several amendments to the bill in its present form.

The Federal Communications Commission, in June, 1984 decided to permit the registration of coin telephones. This action cleared the way for private ownership of coin telephones. Currently, many customers in Montana have the opportunity to purchase and install coin telephones. Therefore, all pay phones are no longer owned by telephone companies. Section 8 of this bill requires public utilities to convert pay stations to permit 9-1-1 dialing without the use of a coin. The Commission feels that Section 8 should require all pay stations to include 9-1-1 access without the use of a coin.

Section 17 of this bill addresses distributions from the 9-1-1 emergency telecommunications account. This section allows the Department of Revenue and the Department of Administration to recoup administrative costs caused by this bill. The section also allows the telephone utilities to recover costs incurred for the administration and implementation of this bill on a quarterly basis. Payments from the fund to the telephone utilities may be made only after the Commission audits the claimed costs. Currently there are eight regulated telephone companies and seven cooperative telephone companies doing business in Montana. Auditing 9-1-1 related costs of these companies will impose significant costs on the Commission. The Commission asks that it be included in Section 17 to receive administrative costs from the 9-1-1 emergency telecommunications account. (The Commission has attached a fiscal note to this bill).

Finally, the Commission would ask that the relationship of the Commission to cooperatives in the context of Section 17 be clarified. MCA 35-18-104 states that cooperatives "shall be exempt in all respects from the jurisdiction and control of the public service commission of this state." If it is the legislature's intent to require the Commission to audit the 9-1-1 related costs of cooperatives, Section 17(2) should be amended to clarify that intent.

AMENDMENT TO SENATE BILL 293

1. Page 1, Line 16  
Following: "residents"  
Strike: remainder of line 16 through "county" on line 18.
2. Page 1, Line 19  
Following: "liability."  
Insert: "Such tax may only be imposed in increments of 5, 10, 15, or 20%."
3. Page 2, Line 22  
Following: "exceed"  
Strike: "1"  
Insert: "10".
4. Page 3, Line 13  
Following: "is"  
Insert: "only".
5. Page 3, Line 13  
Following: "residents"  
Insert: "of the municipality."  
Strike: remainder of lines 13 and 14.
6. Page 3, Lines 15-19  
Strike: Section 8 in its entirety.

LOCAL GOVERNMENT COMMITTEE  
FEBRUARY 19, 1985  
EXHIBIT N

NAME Nadrian Jensen BILL No. SB 293  
ADDRESS POB 5356 789 Carter Dr. DATE 2-19-85  
WHOM DO YOU REPRESENT AFSCME  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Income Tax is a progressive Tax, based  
on a persons ability To pay.

therefore I support SB 293

NAME Anna M. Cushman BILL NO. 293  
ADDRESS H. Pte - Banner Mt DATE 2/19  
WHOM DO YOU REPRESENT Meigs Co. Freeholders  
SUPPORT \_\_\_\_\_ OPPOSE ✓ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

Our 750 members completely oppose  
S.B. 293 - We cannot afford &  
do not need to tax our income  
any further. It will be a costly  
election procedure - & no one in  
his right mind will go out &  
vote for additional income  
taxes.

NAME A. Laurence Petersen BILL NO. SB 325  
ADDRESS Helena DATE 2/19/85  
WHOM DO YOU REPRESENT MT Board of Crime Control  
SUPPORT X OPPOSE \_\_\_\_\_ AMEND \_\_\_\_\_

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:



NAME JOAN MANDEVILLE BILL No. 325  
ADDRESS 2701 PROSPECT AVE HELENA, MT 59620 DATE 2/19/85  
WHOM DO YOU REPRESENT MONTANA PUBLIC SERVICE COMMISSION  
SUPPORT \_\_\_\_\_ OPPOSE \_\_\_\_\_ AMEND ✓

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

WRITTEN TESTIMONY SUBMITTED  
Joan M. Mandeville