

MINUTES OF THE MEETING
TAXATION COMMITTEE
HOUSE OF REPRESENTATIVES
50TH LEGISLATIVE SESSION

March 26, 1987

The meeting of the Taxation Committee was called to order by Chairman Ramirez on March 26, 1987, at 8 a.m. in Room 312B of the State Capitol.

ROLL CALL: All members of the Committee were present, except Rep. Harp, who was excused. Also present was Dave Bohyer, Researcher, Legislative Council.

CONSIDERATION OF SENATE BILL NO. 377: Sen. Mike Halligan, Senate District #26, sponsor of SB 377, said the bill is a policy for a one time only exemption in the fuels tax for school bus contractors.

PROPOSERS OF SENATE BILL NO. 377: Sen. Bob Brown, Senate District #2, said the bill is appropriate under the circumstances and that the Superintendent of Public Instruction supports the bill.

OPPOSERS OF SENATE BILL NO. 377: There were no opposers of SB 377.

QUESTIONS ON SENATE BILL NO. 377: Rep. Williams advised that school budgets would be coming up next year, and asked how the exemption would be handled.

CLOSING ON SENATE BILL NO. 377: Sen. Halligan stated contracts would show specific mileage and could be made available to DOR.

CONSIDERATION OF SENATE BILL NO. 179: Sen. Tom Beck, Senate District #24, sponsor of the bill, said it would eliminate proration of motor vehicle fees with the exception of those with a fee in lieu of taxes.

PROPOSERS OF SENATE BILL NO. 179: Larry Majerus, Administrator, Motor Vehicle Division, Department of Justice, said the bill was requested as a result of the Legislative Auditors' report on county collections, wherein it was discovered that the 50 cent junk vehicle fee was not prorated correctly much of the time. He explained it is easier to eliminate proration of the fee, than to correct county treasurer errors, and that the bill would also apply to noxious seed fees.

John Courtney, Montana County Treasurers Association, provided Exhibit #1, stating which counties figured fees correctly and which did not.

OPPONENTS OF SENATE BILL NO. 179: There were no opponents of the bill.

QUESTIONS ON SENATE BILL NO. 179: There were no questions on the bill.

CLOSING ON SENATE BILL NO. 179: Sen. Beck made no closing comments.

CONSIDERATION OF SENATE BILL NO. 177: Sen. Bill Yellowtail, Senate District #50, said the bill would reauthorize the check-off program for the non-game wildlife program, established in 1983, and would continue the use of state income tax forms to make the voluntary contribution. He explained the Department of Fish, Wildlife, and Parks, (DFWP), is prohibited from purchasing real estate with the funds, and that without the passage of SB 177, the legislation will sunset December 31, 1987.

Sen. Yellowtail said the bill removed the prohibition that license dollars be used for the program, and would also remove DOR's administration fee, (pages 2-3 of the bill). He advised that DOR would charge DFWP 16% of its collections for administration fees.

PROPONENTS OF SENATE BILL NO. 177: Jim Flynn, Director, DFWP, read from a prepared statement in support of the bill (Exhibit #2).

Janet Ellis, Montana Audubon Fund, provided information on the identity of game and non-game animals in Montana, and an explanation of the funding of the program (Exhibits #3 and #4).

Robert Ballou, Montana Audubon Fund, told the Committee he represented more than 3,000 members of the Audubon Society, and himself, as a taxpayer and a hunter. He explained that the check-off is entirely voluntary (Exhibit #5).

Margaret Adams, Upper Missouri Break Audubon Society, said Montana is overlooking the potential of non-game animals to the tourist industry (Exhibit #6).

Dan Heinz, Bozeman, told the Committee he spent 20 years with the U.S. Forest Service, and read from a prepared statement in support of the bill (Exhibit #7).

Virginia Walton, retired librarian, said she believes in the soundness of citizen awareness created by the check-off system, and that many people choose Montana because of its treasures, which include the 600 non-game species we enjoy.

Stan Bradshaw, Montana State Council of Trout Unlimited, stated his support of the bill.

Theordora Smith, Billings, said the program utilizes many volunteers from the Audubon Society and other organizations in the state, and that it does not seem fair to cut the program when it can be funded by those who care (Exhibit #8).

Dan Bucks, Deputy Director, DOR, said he supported the concept of the bill, but had concerns with removing the last section of the bill because he believes administrative costs should be borne by the check-off subscribers themselves.

Mr. Bucks advised there has been a lack of coordination in appropriations and with the state appropriation process, to spend expenses for other check-off programs. He stated there is a statue appropriating this program, which the bill would limit to about \$1 per return, making the cost of 420 check-offs about \$4,200. He commented that other check-off costs are greater, and that the rate of return is about \$10 for every \$1 spent, making the net cost to the state greater than total contributions. He advised there is a need to correct the problem with the other two check-offs, as proposed in SB 397.

OPPONENTS OF SENATE BILL NO. 177: There were no opponents of the bill.

QUESTIONS ON SENATE BILL NO. 177: Rep. Ellison asked if the program were not originally approved via an agreement to pay its own costs. Janet Ellis replied that is mostly true, but right now, the program has been supplemented by dollars from a Pitman-Robbins Grant. She added that since the other two check-offs are not charged for the costs, non-game wildlife should not be charged either.

Dan Bucks advised there were 4,146 non-game wildlife check-offs in 1986, totalling \$31,869 in contributions, or an average of \$7.69 each.

Rep. Williams asked what the status of the magpie is. Janet Ellis replied it is not a protected bird, and that magpies are alive and well in Montana.

Rep. Sands asked if Mr. Bucks had any objection to subsection (5). Mr. Bucks replied he did not, and that it

is standard for all check-offs. He said he believes the loss of revenue is greater than the amount raised by the check-off, if the program is not charged for its administrative costs.

Rep. Sands asked why all check-offs were not treated the same. Mr. Bucks replied they should be, and that DOR has recommended the other two programs be similarly changed. He explained that SB 397 was just heard in the Senate Finance and Claims Committee this date, but he did not yet know what happened. Sen. Smith advised the bill was given unanimous approval.

Chairman Ramirez said he was concerned about language on page 2, liens 14-16. Rep. Ellison asked if that could be addressed in executive session, and Chairman Ramirez agreed.

CLOSING ON SENATE BILL NO. 179: Sen. Yellowtail, explained that \$82,000 in administrative costs would be a real hit to a \$23,000 program, and said a contingency clause at the end of the bill is an equity issue. He asked the Committee to give the bill favorable consideration and said Rep. Sands has agreed to carry the bill.

CONSIDERATION OF SENATE BILL NO. 378: Sen. Ed Smith, Senate District #10, sponsor of the bill, said it simply removes "differences" from page 2, line 4, and inserts "higher", clarifying the standard of value used in assessing certain property.

PROPOSERS OF SENATE BILL NO. 378: Robert Holding, Montana Association of Realtors, stated his support of the bill.

OPPOSERS OF SENATE BILL NO. 378: There were no opponents of the bill.

TECHNICAL COMMENTS ON SENATE BILL NO. 378: Greg Groepper, DOR, advised he did not believe the bill would change the present practice of property valuation, and feared that later on, in court, Montana might have to alter its method of assessing property. He requested that a Statement of Intent be drafted to clarify matters.

QUESTIONS ON SENATE BILL NO. 378: Rep. Williams asked Greg Groepper if SB 378 would be moot, should HB 436 pass. Mr. Groepper replied it would be, and said that, right now, the STAB supports using 1982 values, but DOR needs to have an understanding of what this bill does.

Rep. Williams asked if SB 378 would be necessary if HB 436 were to pass. Sen. Smith replied he was uncertain because he was not familiar with Rep. Ramirez' HB 436.

Rep. Sands asked Sen. Smith if he were attempting to change the way in which DOR uses the law now. Sen. Smith replied he wasn't and that he was only requesting that from this date forward, the Department could remedy the situation to eliminate many appeals.

Rep. Ellison said he still didn't see how the bill would work unless it was used as Rep. Ramirez' prescribes. Sen. Smith replied that if assessments are based on market value or sales price, SB 378 would not be necessary.

Chairman Ramirez advised that he had a situation occur such as that described by Greg Groepper, wherein value of property dropped by 1985, but was still assessed on 1982 values. He asked if the Committee were going to change that situation or not, and whether they wished to do so with SB 378. Sen. Smith replied that if the bill passes, it would establish a price.

Chairman Ramirez asked if SB 378 put assessment back to a price agreed upon by a willing buyer and a willing seller, as in the case of Great Western Sugar. Sen. Smith replied it would.

Rep. Sands said he asked earlier if the Committee were going to change the system through this bill. Sen. Smith replied the the first section of law is not changed, so there is nothing wrong with the word change in the bill.

Chairman Ramirez asked if the bill would then only change what the Department does. Rep. Sands replied that in 1982 a property valued at \$100,000 sold for \$75,000 in 1984. He asked which value would be used if the bill passes. Sen. Smith replied it would be valued at \$75,000, and that his belief is property can't be assessed at less than its purchase price.

Rep. Williams asked if devalued property that is sold in bankruptcy would be included. Sen. Smith replied that everyone had a chance to bid on Great Western Sugar property, and that is different that it would be for an individual residence.

Rep. Williams said he didn't believe half of Sen. Smith's description of a willing buyer and a willing seller to be true, as a seller in bankruptcy is not necessarily a willing seller.

CLOSING ON SENATE BILL NO. 378: Sen. Smith said he was attempting to correct the appeal situation, and that if "lower" is added, "higher" should also be included.

CONSIDERATION OF SENATE BILL NO. 355: Sen. Joe Mazurek, Senate District #23, sponsor of the bill, said it was introduced at the request of attorneys who appear before the State Tax Appeals Board (STAB). He stated the bill would amend 15-3-304, MCA, and that tax appeals are clearly a legal issue that can be taken before the district court for interpretation, or on issues of administrative rules, as well as being taken before STAB.

Sen. Mazurek said the bill would require that all legal issues be brought at the time of petition, to the district court, within 90 days of the passage of the bill.

PROPOSERS OF SENATE BILL NO. 335: Ward Shanahan, Chairman of the Tax Lawyers Legislation Committee, said he had about 17 cases before STAB now. He explained that many issues could be disposed of on a legal basis, but STAB can't challenge them unless the issue is "clearly on its face".

John Alke, Montana-Dakota Utilities, stated his support of the bill.

OPPOSERS OF SENATE BILL NO. 335: There were no opposers of the bill.

TECHNICAL COMMENTS ON SENATE BILL NO. 335: Dave Woodyard, Chief Legal Counsel, DOR, said the amendments were worked out in the Senate and that he had no problems with the bill.

QUESTIONS ON SENATE BILL NO. 335: Rep. Williams asked who would make the "legal" determination. Sen. Mazurek replied that either the district court or the Supreme Court would do so, and that the problem is, right now, both sides won't agree to go to court.

Chairman Ramirez asked if this bill were a short-cut to the courts.

Rep. Ellison asked if both the state and appellants would be ahead in many instances. Sen. Mazurek replied they would be.

CLOSING ON SENATE BILL NO. 335: Sen. Mazurek thanked the Committee for their time and consideration of the bill.

CONSIDERATION OF SENATE BILL NO. 162: Sen. Joe Mazurek, Senate District #23, sponsor of SB 162, said the Revenue Oversight Committee undertook the study of delinquent taxes and the tax deeding process, in conjunction with the county treasurers, MACO, MonTax, and others, to determine what

other states have done, and found that they are not much better off than Montana.

Sen. Mazurek explained that the bill would revise Titles 16, 17, and 18, in the first 20 sections of the bill, and said Chapters 15-18, of Title 15, created the majority of confusion in the old tax law. Sen. Mazurek advised the main change is in the tax deeding process itself, creating a three year redemption period and rigorous notification procedure, with an exception that by county commissioner approval, that a deed for property not purchased by a third party can be given, with concern for S.I.D.'s.

Sen. Mazurek told the Committee section 30, on page 39 of the bill, caused consternation in the Senate, because before delinquent property owners could pay taxes on a third year back to keep property from being sold, and the Attorney General's opinion on the matter changed that understanding so that all back taxes must be paid at one time.

Sen. Mazurek said Sen. McCallum came up with a compromise to allow partial payment of delinquent taxes, as long as they are paid for the current year in their entirety. He explained that the taxes must be applied to the year in which they are most delinquent, as partial payments are not entirely satisfactory to county treasurers.

Sen. Mazurek explained the different sections of the bill through section 24, and said the remainder of the bill is technical changes to existing law.

PROPOSERS OF SENATE BILL NO. 162: Cort Harrington, Montana County Treasurers Association, provided copies of Exhibit #9, prepared by Dave Bohyer during the Interim study, and reviewed the changes outlined by Sen. Mazurek.

Greg Jackson, Gene Phillips, and Sandra Whitney, stated their support of the bill.

QUESTIONS ON SENATE BILL NO. 162: Rep. Hoffman asked if the bill addresses the situation in HB 539. Chairman Ramirez advised the bill could be amended to fit, if necessary, and would be looked at during executive session.

CLOSING ON SENATE BILL NO. 162: Sen. Mazurek made no closing comments on the bill.

ADJOURNMENT: There being no further business before the Committee, the meeting was adjourned at 11 a.m.

TAXATION COMMITTEE

March 26, 1987

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Representative Jack Ramirez,
Chairman

DAILY ROLL CALL

HOUSE TAXATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date March 6, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. RAMIREZ	7		
REP. ASAY	7		
REP. ELLISON	7		
REP. GILBERT	7		
REP. HANSON	7		
REP. HARP	7	7	
REP. HARRINGTON	7		
REP. HOFFMAN	7		
REP. KEENAN	7		
REP. KOEHNKE	7		
REP. PATTERSON	7		
REP. RANEY	7		
REP. REAM	7		
REP. SANDS	7		
REP. SCHYE	7		
REP. WILLIAMS	7		

EX-1
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#1
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registration or license fee for the remainder of the year shall be one-half of the regular fee."

The following illustration details whether the county prorated the fees correctly or incorrectly for the three cases described above.

MOTOR VEHICLE FEE PRORATION

<u>County</u>	<u>Change in Anniversary Date</u>			<u>November/ December Registration</u>	<u>Delayed Original Registration</u>
	<u>GVW</u>	<u>Junk Vehicle</u>	<u>Registration and License</u>		
1	incorrect	incorrect	incorrect	incorrect	incorrect
2	correct	correct	correct	incorrect	incorrect
3	incorrect	incorrect	incorrect	incorrect	incorrect
4	correct	correct	correct	correct	incorrect
5	correct	correct	correct	incorrect	correct
6	correct	incorrect	correct	incorrect	correct
7	incorrect	incorrect	incorrect	incorrect	incorrect
8	correct	incorrect	correct	incorrect	incorrect
9	incorrect	incorrect	incorrect	incorrect	correct
10	correct	correct	correct	correct	correct
11	incorrect	incorrect	incorrect	incorrect	correct
12	correct	correct	correct	correct	correct
13	incorrect	correct	correct	incorrect	incorrect
14	correct	correct	correct	correct	correct
15	correct	correct	incorrect	incorrect	correct
16	correct	incorrect	correct	incorrect	incorrect
17	correct	correct	correct	correct	correct
18	correct	incorrect	correct	incorrect	correct
19	incorrect	incorrect	incorrect	incorrect	correct
20	correct	incorrect	incorrect	incorrect	correct
	7 out of 20 prorated incorrectly	11 out of 20 prorated incorrectly	8 out of 20 prorated incorrectly	15 out of 20 prorated incorrectly	8 out of 20 prorated incorrectly

Source: Compiled by the Office of the Legislative Auditor

Illustration 2

County treasurers explained they prorated fees in the manner they considered proper. The Department of Justice is charged with the responsibility of establishing procedures for registering motor vehicles. Therefore, even though some of these fees are

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Testimony presented by Jim Flynn, Dept. of Fish, Wildlife & Parks

The Department of Fish, Wildlife & Parks is the principal wildlife management agency in Montana, and has the responsibility for nongame wildlife species in our state.

Nongame species account for 83% of the vertebrate species which occur in Montana, yet they receive a small percentage of the funds budgeted for wildlife conservation. A nongame program allows the status of many species to be monitored and thus provides an overall status of the entire fish and wildlife composition of our state.

The tax checkoff, as it is currently administered, has had the effect of complicating and potentially lowering our nongame efforts due to the number of taxpayers participating in the program.

Therefore, renewal of the tax checkoff program is needed, with the flexibility to use license dollars if and when they are available as utilized prior to the original checkoff legislation, as SB 177 accomplishes.

In addition, the termination of deductions by the Department of Revenue would benefit the program, since the nongame checkoff is the only checkoff out of three now in effect which bears this loss.

The attention to nongame species is an ongoing responsibility which we cannot ignore. In order to meet those demands, we support this bill.

EX #3 WHAT IS A NONGAME ANIMAL ?

3-26 These animals are not nongame.

Janet Ellis

Game*
Elk
Ducks
Geese
Trout
Bear
Deer

Furbearers
Mink
Marten
Fisher
Otter
Bobcat
Canada Lynx
Beaver
Northern Swift Fox
Wolverine

Predators
Coyotes
Skunks
Weasils
Civet Cats

Endangered Species
Whooping Crane
Black-footed Ferret
Timber Wolf
Peregrine Falcon

These animals are nongame.

Nongame*
White Pelican
Pika
Grasshopper Mouse**
Raccoon
Masked Shrew
Snowshoe Hare**
Red-tailed Hawk***
Big Brown Bat
Western Big-eared Bat
Woodpeckers
Black-tailed Prairie Dog**
Sagebrush Lizard
Golden Eagle***
Western Toad
Yellow Perch
Pumpkinseed
Osprey
Great Blue Heron
Western Meadowlark
Flying Squirrel
White-tailed Cottontail
Least Chipmunk
Sagebrush Vole
Great Horned Owl***
Painted Turtle

*These are not complete lists of animals--they are only examples.

**The Department of Livestock controls these animals when they become pests under 81-1-401 MCA.

***These animals can be destroyed if they destroy livestock or poultry under 87-5-209 MCA.

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veterinarians or federal lay inspectors stationed in this state, as deputies or agents for the department. All federal officers so appointed as deputies or agents of the department possess the powers and duties of regular deputies or agents of the department, but they shall act without compensation and hold office only at the pleasure of the department.

History: En. Sec. 6, Ch. 262, L. 1921; re-en. Sec. 3265, R.C.M. 1921; re-en. Sec. 3265, R.C.M. 1935; amd. Sec. 54, Ch. 310, L. 1974; R.C.M. 1947, 46-206.

Part 4

Rodent Control

81-1-401. Department to operate rodent control program. The department may establish and operate organized and systematic programs for the control and suppression of jackrabbits, prairie dogs, ground squirrels, pocket gophers, rats, mice, and other rodents and related animals in this state when they are injurious to agriculture, other industries, and the public health. For this purpose, the department may enter into written agreements with appropriate federal agencies, other state agencies, counties, associations, corporations, or individuals covering the methods and procedures to be followed in the control and suppression of these noxious rodents and related animals, the extent of supervision to be exercised by the department, and the use and expenditure of funds appropriated, when this cooperation is necessary to promote the control and suppression of noxious rodents and related animals.

History: En. Sec. 1, Ch. 136, L. 1949; amd. Sec. 44, Ch. 310, L. 1974; amd. Sec. 1, Ch. 242, L. 1976; R.C.M. 1947, 3-2701.

81-1-402. Expenditures authorized. The department may make expenditures for equipment, materials, supplies, and other expenses, including expenditures for personal services, which are necessary to execute the functions imposed on it by this part.

History: En. Sec. 2, Ch. 136, L. 1949; amd. Sec. 45, Ch. 310, L. 1974; R.C.M. 1947, 3-2702.

81-1-403. Purchase and sale of rodent control supplies. In addition to the expenditures authorized in 81-1-402, the department may purchase rodent control supplies, including rodent baits, for the use of cooperating governmental agencies, counties, associations, corporations, or individuals in the control of noxious rodents and related animals and to make these supplies and baits available to the cooperators at approximate cost.

History: En. Sec. 4, Ch. 136, L. 1949; amd. Sec. 105, Ch. 147, L. 1963; amd. Sec. 46, Ch. 310, L. 1974; R.C.M. 1947, 3-2704.

CHAPTER 2

DISEASE CONTROL

Part 1 — General Administration

Section

81-2-101. Authority of department agents.
81-2-102. Powers of department.

81-1-401. Under this section, animals that become pests can be controlled by the Department of Livestock.

History: En. Sec. 3, Ch. 309, L. 1971; amd. Sec. 34, Ch. 511, L. 1973; amd. Sec. 1, Ch. 34, L. 1974; amd. Sec. 39, Ch. 9, L. 1977; amd. Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-501.1(10), (11).

87-5-208. Nonresidents allowed raptors in state. Nonresidents who are working, attending schools, or otherwise living temporarily in the state of Montana may obtain a Montana falconry license and bring raptors, legally acquired in other states or countries, into the state of Montana. Such nonresidents shall be allowed to hunt with falcons in the state of Montana subject to all Montana laws and rules.

History: En. Sec. 3, Ch. 309, L. 1971; amd. Sec. 34, Ch. 511, L. 1973; amd. Sec. 1, Ch. 34, L. 1974; amd. Sec. 39, Ch. 9, L. 1977; amd. Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-501.1(16).

87-5-209. Destruction of eagles or predatory hawks and owls. Predatory hawks and owls destroying livestock or poultry may be killed at any time by the livestock or poultry owners. Eagles may be killed in compliance with federal law and regulation.

History: En. Sec. 3, Ch. 309, L. 1971; amd. Sec. 34, Ch. 511, L. 1973; amd. Sec. 1, Ch. 34, L. 1974; amd. Sec. 39, Ch. 9, L. 1977; amd. Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-501.1(17).

87-5-209. Under this section eagles, hawks & owls destroying livestock or poultry may be killed.

Part 3

Grizzly Bear and Wild Buffalo

87-5-301. Policy toward grizzly bear. It is hereby declared the policy of the state of Montana to protect, conserve, and manage grizzly bear as a rare species of Montana wildlife.

History: En. Sec. 1, Ch. 134, L. 1969; R.C.M. 1947, 26-307.2.

87-5-302. Commission regulations on grizzly bear. The commission shall have authority to provide open and closed seasons; means of taking; shooting hours; tagging requirements for carcasses, skulls, and hides; possession limits; and requirements for transportation, exportation, and importation of grizzly bear.

History: En. Sec. 2, Ch. 134, L. 1969; R.C.M. 1947, 26-307.3.

87-5-303. Wild buffalo protected. It is unlawful to hunt, shoot, kill, capture, or possess wild buffalo except as permitted by rules adopted by the department.

History: En. Sec. 4, Ch. 167, L. 1973; amd. Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-301.1.

87-1-225a--Regulation of wild animals damaging property Upon the request or complaint of any landholder or person in possession and having charge of any land in the state that wild animals of the state, protected by the fish and game laws and regulations, are doing damage to the property or crops thereon, the department shall investigate and study the situation with respect to damage and depredation. The department may then decide to open a special season on the game or, if the special season method be not feasible, the department may destroy the animals causing the damage. The department may authorize and grant the holders of said property permission to kill or destroy a specified number of the animals causing the damage. No wild ferocious animal damaging property or endangering life shall be covered by this section. History: En. Sec. 1, Ch. 60, L. 1957; and, Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-135.

87-1-226a--Disposition of meat of animals damaging property The meat of all animals killed or destroyed pursuant to 87-1-225 by the department or the authorized landholder shall be conserved and given to state institutions, school lunch programs, or the department of social and rehabilitation services. The department shall provide transportation and distribution of the meat. History: En. Sec. 2, Ch. 60, L. 1957; and, Sec. 22, Ch. 511, L. 1973; R.C.M. 1947, 26-136.

87-1-227a--Hunting rights on adjoining federal wildlife preserves (1) The department shall negotiate for and enter into written agreements with owners, lessors, lessees, or others having control of areas, tracts, or parcels of land adjoining or contiguous to any United States federal wildlife preserves including any wildlife refuge for migratory waterfowl in any section of Montana, for the purpose of securing equal hunting and shooting rights for all resident holders of fish and game licenses in Montana on such adjoining and contiguous lands and preventing such preserves from being surrounded by lands whereon such licensees may not enter. The department shall, further, open or cause to be opened to public hunting and shooting of migratory waterfowl on any roads, lanes, and trails not a part of the traveled portion of any federal-aid highway system within a 1-mile limit from the boundaries of any such preserve or refuge. The department shall cause any such areas, tracts, roads, lanes, or trails to be plainly posted with clear signs showing the boundaries of the areas, tracts, roads, lanes, or trails open to shooting and hunting by licensees.

(2) The department is hereby authorized to negotiate the payment of a reasonable sum to landowners, lessors, or lessees for the right of the department to create a public shooting area upon their lands. The amount that may be paid for such purpose shall rest in the discretion of the department. History: En. Secs. 1, 2, Ch. 224, L. 1943; and, Sec. 13, Ch. 417, L. 1977; R.C.M. 1947, 26-1120, 26-1121.

87-1-228a--Agreement with Indians concerning hunting and fishing --Indian Treaty of 1855a (1) Whereas, by treaty of July 16, 1855, between the United States of America, represented by Isaac L. Stephens, governor and superintendent of Indian affairs for the territory of Washington, and the chiefs, headmen, and delegates of the confederated tribes of the Flathead, Kootenai, and Upper Pend Oreille Indians, the said Indians were given the exclusive right to fish and hunt on the Flathead Indian reservation and the

87-1-205a If an animal is "protected" under Montana law, this section gives the Department of Fish, Wildlife & Parks the authority to destroy an animal that is causing damage to property or crops.

Montana Department of Fish, Wildlife & Parks



TO: Glenn Erickson
FROM: Dennis Flath
SUBJ: Income Tax Checkoff for Tax Year 1985

12/22/86

Following is the final summary of receipts for the nongame program from the tax check-off and direct contributions.

Table 1. Income Tax Checkoff Performance for Nongame Wildlife in Montana.

Tax Year	Number Eligible	Number Donors	Participation Rate	Average Donation	Checkoff Income	Direct Donation
1983	175,000	6,630	3.8%	\$5.34	\$35,427	\$1,242
1984	174,913	6,182	3.5%	5.47	33,810	2,279
1985	366,690	4,146	1.1%	7.69	31,869	2,281

The Department of Revenue will deduct \$7884 for administrative costs. This leaves \$26,266 plus interest for the nongame program.

Table 2. Income Tax Checkoff Performance for Montana, Tax Year 1985.

Program Name	Number Donors	Participation Rate	Checkoff Income	Average Donation
Nongame	4,146	1.1%	\$31,869	\$7.69
Child Abuse	3,595	1.0%	27,086	7.53
Ag in Schools	1,317	0.4%	8,487	6.44
Total	9,058	2.5%	67,442	7.45

EX-4
3-26-86
J. Ellis
SB 177

SB 177

THE NONGAME WILDLIFE FUNDING BILL

#7
3-26-87
SB 177

Nongame wildlife is also known as "Watchable Wildlife" - those animals not usually hunted or fished. The Mountain Bluebird and Flying Squirrel are two examples of more than 600 kinds of nongame animals in Montana. Game, furbearers, predators and endangered species are excluded from the definition of nongame animals. (87-5-102 (4) MCA).

The 1973 Montana Nongame and Endangered Species Act requires the state to manage nongame wildlife "for human enjoyment, for scientific purposes, and to insure their perpetuation as members of ecosystems." (87-5-103 MCA).

The 10 year old Nongame Wildlife Program is housed in the Montana Department of Fish, Wildlife & Parks (DFWP). Like all state programs, the Legislature must review and approve the budget of the nongame program every two years.

HB 177 does three things:

1. THE CHECKOFF:

*This bill reauthorizes the nongame wildlife checkoff on the Montana state income tax form. The checkoff was established by the 1983 Legislature and is scheduled to sunset after this year if not reauthorized. Interested Montanans donate via the checkoff to support a state program they believe in.

*In 1986, 4146 Montanans contributed \$31,869 to the nongame program.

*The donations do not reduce the General Fund. The donation is a donation - it reduces your tax refund or increases the amount of money you pay the state.

2. OTHER FUNDING:

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A FINAL WORD...

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SB 177 is a positive step.

THE NONGAME WILDLIFE FUNDING BILL

Nongame wildlife is also known as "Watchable Wildlife" - those animals not usually hunted or fished. The Mountain Bluebird and Flying Squirrel are two examples of more than 600 kinds of nongame animals in Montana. Game, furbearers, predators and endangered species are excluded from the definition of nongame animals. (87-5-102 (4) MCA).

The 1973 Montana Nongame and Endangered Species Act requires the state to manage nongame wildlife "for human enjoyment, for scientific purposes, and to insure their perpetuation as members of ecosystems." (87-5-103 MCA).

The 10 year old Nongame Wildlife Program is housed in the Montana Department of Fish, Wildlife & Parks (DFWP). Like all state programs, the Legislature must review and approve the budget of the nongame program every two years.

HB 177 does three things:**1. THE CHECKOFF:**

*This bill reauthorizes the nongame wildlife checkoff on the Montana state income tax form. The checkoff was established by the 1983 Legislature and is scheduled to sunset after this year if not reauthorized. Interested Montanans donate via the checkoff to support a state program they believe in.

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EX #5
26-87
3177

#5
3-26-87
SB177

Testimony to the House Taxation Committee in Support of

SB-177, the Nongame Wildlife Program Funding Bill

March 26, 1987

Robert M. Ballou

Mr Chairman and Committee Members, I appreciate this opportunity to testify in support of SB-177. My name is Robert Ballou. I am representing the 3000 plus members of the National Audubon Society in Montana as president of the Montana Audubon Council. I am also representing myself as a hunter and fisherman.

The nongame wildlife program marks a significant forward step in the conservation of Montana's natural resources. It demonstrates that the people of Montana recognize that all wildlife have a place in the scheme of things, that all wildlife have value, and that all wildlife may at some time contribute in a vital way to man's well being. The horned lark may hold the key to a better understanding of the laws of aerodynamics, or may provide clues to the development of drugs in the cure of disease. Small as it is, the nongame program has made a start towards obtaining more knowledge and securing preservation of all the wildlife species that are not hunted, fished, trapped, or endangered.

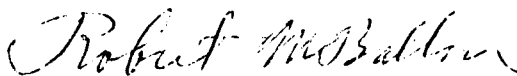
In our view, SB-177 does exactly what is needed for the future of the nongame program. It gives it funding permanency. As important as this small program is to the longterm wellbeing of our state and

to the quality of life we cherish in Montana, it deserves a permanent funding mechanism.

SB-177 revises the inequitable charges by the Department of Revenue for administering the voluntary checkoff provision on the income tax return form. Since other checkoff provisions are not so charged, neither should the nongame program be charged. This is only just.

SB-177 allows the Department of Fish, Wildlife and Parks to use its funds to supplement those received from the tax return checkoff, if necessary. As an avid hunter and fisherman, I applaud this provision. Experience with the checkoff has shown that, to date, monies derived from it alone are not enough to even fund the very modest nongame program. I welcome the extremely small part of my license fees that may be used for nongame projects. It will help assure the enjoyment of my total outdoors experience because I will know that measures are being taken in behalf of all the wildlife I enjoy seeing and hearing when I hunt and fish. Also, the game I am pursuing may depend in some way on nongame species. I am sure most sportsmen in Montana share my view.

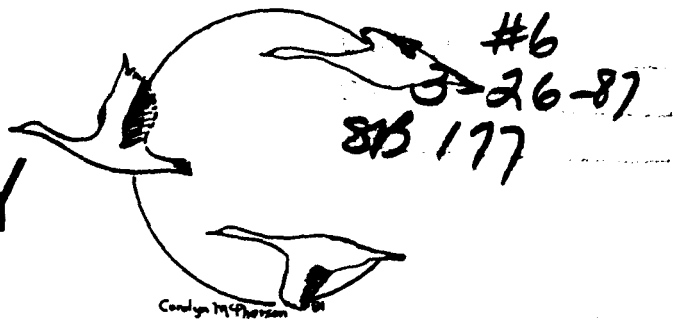
Thank you Mr. Chairman and Committee members for your time and attention.


Robert M. Ballou, President
Montana Audubon Council

EX #6
3-26-87
SB 177

Upper Missouri Breaks AUDUBON SOCIETY

P.O. Box 2362, Great Falls, Montana, 59403



Members of the House Taxation Committee:

I am Margaret E. Adams, president of the Upper Missouri Breaks Audubon Society of Great Falls. I am appearing today in support of Senate Bill 177.

We recognize that as members of the "taxation" committee you are not necessarily deeply interest in the small animals and birds of our state, which are objects of this bill. We do know that you serve on this committee because of your deep interest in and expertise in the finances of our state.

We would ask for you support for Senate Bill 177 based on your expertise for the following three reasons:

1. Basically the financing for the non-game bill is based upon the direct contributions of citizens from their income tax refund, or directly as a gift to the program via cah contributions.
2. The operation of the non-game program is not dependent upon an allocation of state funds by the legislature.
3. The program as the potential to increase the number of days spent by tourists in our state.

The fastest growing segment of the recreation public according to several national studies is bird-watching. Proof of the business community's awareness of those studies is the emergence this year of a new publication, Birding, of a very high quality, expensive, "slick" magazine

There are 381 species of birds found in Montana, many of them unique to western states. Because of the good habitat in our state and because of our small human population, bird watchers would expect greater success in finding unusual birds here.

Many bird watchers travel to long distances and stay for several days just to see a unique bird.

Non game program could as part of the research effort, identify our unique birds and also identify areas within the state where good bdrders could expect to find those unique birds.

Becoming known as a "birder's paradise" of unique western birds could result in many more tourist days..

In conclusion, for the financial good of our state, and for the good of birds and small animals, we urge your support for SB 177.

Thank you for your attention and your thoughtful consideration of this bill.

Margaret E. Adams

3-26
SB 177
EX 7

#1
3-26-87
SB 177

My name is Dan Heinz. I live in Bozeman. I am testifying today as a concerned individual sportsman.

I have been a lifelong hunter. I also spent 25 years with the US Forest Service. I have had considerable experience both as a hunter and outdoorsman and as a public servant responsible for managing wildlife resources.

I am supporting the non-game renewal bill that Audubon is sponsoring this session.

Sportsmen can receive real benefits from a solid non-game program within the Department of Fish Wildlife and Parks.

There is some real potential to develop non-consumptive wildlife use among sportsmen. We had unbelievable response to a viewing blind we placed above a heron nesting colony on the Nebraska National Forest. Sportsmen came for miles to sit in that blind and watch spring activities of those herons. We also had very heavy use of viewing blinds we placed on sharp-tail dancing grounds.

Those of you who are land owners know well the problems caused by slob hunters.

I feel very strongly that hunters who get into off season enjoyment of wildlife develop quickly into true sportsmen. Sportsmen that are sensitive to both to the land and to other people who own or use that land.

The nongame wildlife funding bill will give sportsmen an opportunity we do not have now to influence the type of program and the amount of money spent on nongame.

Thank you for your time and the opportunity to testify on this bill.

76
#8
177

#8
3-26-87
SB 177

STATEMENT FOR COMMITTEE

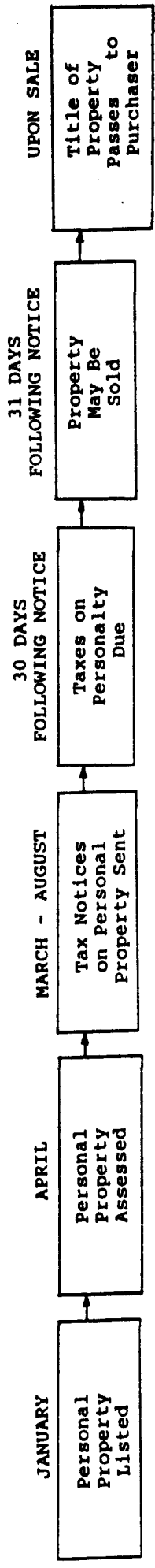
I AM THEODORA SMITH OF BILLINGS. I FULLY SUPPORT THE CONTINUANCE OF THE
NON-GAME CHECK OFF PROGRAM. IT DOES NOT SEEM QUITE FAIR TO CUT THIS PROGRAM OFF IN
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OPPORTUNITY TO SUPPORT IT. MONTANANS ARE JUST BEGINNING TO UNDERSTAND WHAT IT
IS ALL ABOUT AND THAT IT IS A GOOD WAY TO ENHANCE OUR WATCHABLE WILDLIFE.



3-26-87
EX 119
Keruek
Boyer draft

3-26-87
SB 162

PROCEDURE FOR PERSONAL PROPERTY



PROCEDURE FOR REAL PROPERTY

