

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By Chairman Darko, on January 3, 1989, at
3:00 p.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Lee Heiman, Legislative Council

Announcements/Discussion: Chairman Darko announced that, from now on, the committee would meet on adjournment of the House rather than the previously scheduled 3:00 p.m. Introduction of staff. Copies of the rules and procedures for this committee were distributed. Lee Heiman, staff, discussed amendments and issues on bills.

HEARING ON HOUSE BILL 17

Presentation and Opening Statement by Sponsor: Rep. Squires, District 58, stated that the bill was requested by the City of Missoula to enable cities and towns to appropriate monies received from federal and state government in the same manner as the counties were authorized in 1974.

List of Testifying Proponents and What Group they Represent:

Chuck Stearns, City of Missoula

Alec Hansen, Montana League of Cities and Towns

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Chuck Stearns, City of Missoula, indicated that this bill would enable city councils to appropriate money especially grants received throughout the fiscal year. This would eliminate the problem of anticipating receiving funds and including them or not receiving them, or waiting until the next fiscal year to budget for them.

Alec Hansen, Montana League of Cities and Town, stated that his organization supported the bill for the same reasons cited by Mr. Stearns.

Questions From Committee Members: None

Closing by Sponsor: Rep. Squires reiterated that since the counties have had this flexibility for some years that it is a good idea for the cities and towns to have it as well.

DISPOSITION OF HOUSE BILL 17

Discussion: None

Amendments and Votes: None

Recommendation and Vote: Rep. D. Brown moved HB 17 DO PASS.
Rep. Wallin seconded HB 17 and it CARRIED unanimously.

HEARING ON HOUSE BILL 41

Presentation and Opening Statement by Sponsor: Rep. Gilbert, House District 22, stated that HB 41 was requested by the City Fire Department and the City Attorney over a problem experienced in Eastern Montana and drought areas throughout the state. The bill will enable local governments to enter into mutual aid agreements that allow agencies to coordinate their emergency medical services and fire protection services for their mutual advantage.

List of Testifying Proponents and What Group they Represent:

Alec Hansen, Montana League of Cities and Towns
Henry E. Lohr, Montana Volunteer Firefighters Assn.
Tim Bergstrom, Montana State Firemen's Assn.

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Alec Hansen, Montana League of Cities and Towns, stated they are in favor of granting local governments the legal authority to enter into mutual aid agreements between agencies.

Henry Lohr, Montana Volunteer Firefighters Association, stated his organization is in support of this bill.

Tim Bergstrom, Montana State Firemen's Association, requested permission to ask the sponsor of the bill a question. Upon recommendation of Chairman Darko, Mr. Bergstrom's question was asked by Rep. Hansen. Mr. Bergstrom agrees with the concept but expressed concerns over Section 7 of the bill. He was concerned that Montana cities would absolve themselves of the responsibility of providing services that would now be covered by a mutual aid agreement with another agency.

Questions From Committee Members: Rep. Hansen asked if the City can absolve itself of Section 7-33-4101 and go outstate and purchase such protection. Rep. Gilbert stated that he did not believe that the city could absolve itself of Section 7-33-4101 but asked Mr. Heiman to clarify. Mr. Heiman agreed that the duty to provide is not absolved since the services are provided by state law. It simply provides that towns can dispatch their services to others and still have coverage for their own town because of these mutual aid agreements. Rep. Hansen asked Mr. Bergstrom if his concerns were satisfied. Mr. Bergstrom replied affirmatively and asked that he be considered a proponent of HB 41.

Rep. Good asked if other states have such agreements and about the liability if one of the participating agencies made a mistake. Rep. Gilbert stated that he was unsure if other states had such agreements and that the purpose of the bill was to settle liability questions since many agencies are cooperating but without the benefit of mutual agreements.

Closing by Sponsor: Rep. Gilbert stated the bill did not include an effective date and requested the bill become effective upon passage to enable such agencies to negotiate such agreement as quickly as possibly.

DISPOSITION OF HOUSE BILL 41

Discussion: None

Amendments and Votes: Rep. Gould moved to amend to provide that the bill become effective upon passage and approval. Rep. Johnson seconded.

Recommendation and Vote: Rep. Gould moved HB 41 DO PASS. Rep. Good seconded and it CARRIED unanimously. Rep. Gould made a motion that the bill DO PASS AS AMENDED and Rep. D. Brown seconded. The bill CARRIED unanimously.

ADJOURNMENT

Adjournment At: 3:25 p.m.



PAULA DARKO, Chairman

PD/td

0211.min

DAILY ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date

1/3/89

| NAME | PRESENT | ABSENT | EXCUSED |
|------------------------------|---------|--------|---------|
| DARKO, PAULA - Chair | X | | |
| McDONOUGH, MARY - Vice-Chair | X | | |
| BROOKE, VIVIAN | X | | |
| BROWN, DAVE | X | | |
| BROWN, JAN | X | | |
| HANSEN, STELLA JEAN | X | | |
| JOHNSON, JOHN | X | | |
| STICKNEY, JESSICA | X | | |
| WYATT, DIANA | X | | |
| GOOD, SUSAN | X | | |
| GOULD, BUDD | X | | |
| GUTHRIE, BERT | X | | |
| HOFFMAN, ROBERT | X | | |
| NELSON, THOMAS | X | | |
| REHBERG, DENNIS | X | | |
| WALLIN, NORM | X | | |
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STANDING COMMITTEE REPORT

January 3, 1989 *pd*

Page 1 of 1.

Mr. Speaker: We, the committee on Local Government report that
House Bill 17 (first reading copy -- white) do pass.

Signed: _____

Paula A. Darko
Paula Darko, Chairman

STANDING COMMITTEE REPORT

January 3, 1989 *pt*

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that
HB41 (first reading copy -- white) do pass as amended.

Signed: *Paula Darko*
Paula Darko, Chairman

1. Title, line 5.

Strike: "AND"

2. Title, line 8.

Following: "STATES"

Insert: "; AND PROVIDING AN EFFECTIVE DATE"

3. Page 7.

Following: line 8

Insert: "NEW SECTION. Section 13. Effective date. [This act]
is effective on passage and approval."

EXHIBIT _____
DATE 1/3/89
HB _____

Rules of Procedure
House Local Government Committee
Room 312-2

1. All individuals wishing to testify must sign the witness sheet. Testimony will not become record if you do not sign the witness sheet. These sheets are located on the desk as you enter the room.
2. Proponents will speak first, followed by opponents. Time limitations may be imposed by the chair.
3. Proponents and opponents should present testimony that states new points. Redundancy should be avoided.
4. Questions will come from the committee members and be directed through the chair to opponents and proponents.
5. Sponsors will be allowed to close at the end of the questioning period.
6. All discussion will be directed through the chair.
7. Amendments to be presented must be written and preferably coordinated through our staff attorney.

HROP.PD

MISSOULA

FINANCE/CITY CLERK OFFICE

201 W. SPRUCE • MISSOULA, MT 59802-4297 • (406) 721-4700

CITY OF MISSOULA
CHUCK STEARNS TESTIMONY ON HOUSE BILL #17

The City of Missoula supports House Bill #17 in order to give cities the same budget flexibility for appropriating federal and state funds, especially grants, that are received during the middle of the year, after the City Council has adopted the budget.

Counties in Montana have had this ability since 1974 and it is codified as Section 7-6-2218 MCA, a copy of which appears on the back of this sheet. While it has been interpreted by the Department of Commerce that this law should also apply to cities, it is not in the Administrative Rules of Montana. In order to prevent possible audit opinions, we prefer that explicit authority be granted to cities, as it has been granted to counties.

A specific example where this authority would be most helpful is in the area of Community Development Block Grants from the U.S. Government. Currently there are three grant application deadlines each year: September 16th; March 17th; and July 14th. The award notifications usually follow three months after the application deadline, so only the March 17th date allows for the City Council to include it in the next budget. Being able to appropriate and expend the money soon after the grant is awarded would speed up governmental processes and be more efficient.

The City of Missoula appreciates your consideration of this bill and Representative Squires efforts on the behalf of cities.

EXHIBIT 1
DATE 1/3/89
HB #17

7-6-2216. Repealed. Sec. 1, Ch. 135, L. 1979.

History: En. Sec. 4339, Pol. C. 1895; re-en. Sec. 2984, Rev. C. 1907; re-en. Sec. 4748, R.C.M. 1921; re-en. Sec. 4748, R.C.M. 1935; R.C.M. 1947, 16-2426.

7-6-2217. Administration of relief received from federal agencies.

In any county where aid is received from the reconstruction finance corporation or any other similar agencies, the county commissioners of such county shall be authorized to employ the necessary help and incur such expenses as are necessary in the administration of such relief; and in so doing the board may appropriate such funds as are necessary from the general fund of said county. Such appropriation shall be held and deemed legal and valid notwithstanding the provisions of the budget act.

History: En. Sec. 1, Ch. 44, L. 1933; re-en. Sec. 4520.1, R.C.M. 1935; R.C.M. 1947, 16-1162.

7-6-2218. Appropriation of state and federal money by county. (1)

The board of county commissioners of any county in Montana shall have the power and authority to appropriate, by formal resolution, money received from the federal or state government, regardless of the time the money is received. The expenditure of said funds shall be according to federal requirements specified in the federal act or state requirements specified in the state legislation. The money appropriated under this section may include federal revenue sharing funds granted to Montana conservation districts organized under Title 76, chapter 15.

(2) The resolution shall state the source of the money, the expenditure program for the funds, and the effective date of the appropriation.

(3) (a) Subject to restrictions in federal or state law granting federal or state funds, in addition to appropriations for county use, an appropriation may be made under this section to the following entities for that entity's governmental purpose:

(i) utility districts authorized in Title 7, chapter 13;

(ii) fire services authorized in Title 7, chapter 33.

(b) If the entity receiving an appropriation under subsection (3)(a) provides a service that is less than countywide, the appropriation resolution shall require that the entity repay the county the amount of the appropriation. The appropriation resolution may provide any method of repayment, except that full repayment must be made within 5 years of the date of the appropriation resolution. The appropriation resolution may require that interest be paid on the appropriation.

History: En. 16-1185 by Sec. 1, Ch. 70, L. 1974; amd. Sec. 1, Ch. 75, L. 1975; R.C.M. 1947, 16-1185; amd. Sec. 1, Ch. 19, L. 1983.

7-6-2219. Authorization to establish capital improvement fund.

The governing body of any county in Montana may establish a capital improvement fund for the replacement and acquisition of property, plant, equipment costing in excess of \$5,000 with a life expectancy of 5 years or more, provided a capital improvement program has been formally adopted by said governing body.

History: En. 16-1186 by Sec. 1, Ch. 54, L. 1975; R.C.M. 1947, 16-1186.

7-6-2220. Levy for capital improvement fund. Money for the capital improvement fund is to be derived from the multiple levies authorized

VISITORS' REGISTER

Local Government COMMITTEEBILL NO. 17DATE 1/3/89SPONSOR SQUIRES

| NAME (please print) | REPRESENTING | SUPPORT | OPPOSE |
|---------------------|---|---------|--------|
| Tim BERGSTROM | MT. STATE FIREMENS ASSOC | ✓ | |
| Ed Flies | Mt. State Council of Pafford Firefighters | ✓ | |
| Chuck STEARNS | City of Missoula | ✓ | |
| Alec Hansen | MUCT | ✓ | |
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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Local Government COMMITTEE

DATE 1/3/89

SPONSOR GILBERT

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FOR
PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.