

MINUTES

MONTANA HOUSE OF REPRESENTATIVES  
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By Chairman Darko, on Feb 2, 1989, at 3:25  
p.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Lee Heiman, Legislative Council

Announcements/Discussion:

HEARING ON HOUSE BILL 384

Presentation and Opening Statement by Sponsor:

Rep. Wilbur Spring, District 77, stated that the City of Bozeman asked that he introduce this bill. He has found some problems with it and feels that the intent can be handled through administrative procedures. He asked that the bill be tabled.

Testifying Proponents and Who They Represent:

Alec Hansen, Montana League of Cities and Towns

Proponent Testimony:

Alec Hansen stated that after talking with Legislative Council it was discovered that the bill was not necessary and could possibly complicate matters. He agrees with Rep. Spring that the bill be tabled.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Spring closed.

DISPOSITION OF HOUSE BILL 384

Motion: Rep. Gould moved to TABLE the bill. Rep. Johns seconded.

Discussion: None

Amendments, Discussion, and Votes: None

Recommendation and Vote: The vote to TABLE HB 384 was unanimous.

HEARING ON HOUSE BILL 424

Presentation and Opening Statement by Sponsor:

Rep. Ed Grady, District 47, stated that this bill authorizes the county treasurer or deputy to acknowledge signatures for the transfer of titles. Until recently the Registrar's Office has accepted an acknowledgement of the treasurer or deputy and the practice was re-affirmed in the treasurers' latest manual (1988). In August, 1988 the Registrar's Office discovered that only a notary may acknowledge a signature for the purpose of transferring title. The bill would restore the historical practice of treasurers and their deputies acknowledging signatures.

Testifying Proponents and Who They Represent:

Cort Harrington, Montana County Treasurers' Association

Proponent Testimony:

Cort Harrington stated that the bill was introduced at the Treasurers' request. The previous system was working well and the change has created a backlog in the Treasurer's office and many disgruntled taxpayers. Taxpayers are forced to go to a different office for notary services and then they return to the Treasurer's office to complete the transaction.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Grady felt that the bill should be passed. It would make the past practice legal and much more convenient for the taxpayer.

DISPOSITION OF HOUSE BILL 424

Motion: Rep. Jan Brown moved HB 424 DO PASS. Rep. Gould seconded.

Discussion: Rep. Wallin asked if there was any safeguard that the person who signs the document was, in fact, who they claimed to be and thinks the signature must be acknowledged in some way. He asked for an amendment to include "whose signature is on record with the proper authority". Lee was unsure what the requirements for identification would be but that the treasurer is a definite, elected and bonded person and that acknowledgement takes place extemporaneously at the time of the transaction. Rep. Hoffman stated that some county treasurers have an official seal. Rep. McDonough agreed with Lee's statement.

Amendments, Discussion, and Votes: Rep. Hansen moved that "his" be replaced with "the" on page one. Rep. Good seconded. The vote to amend was unanimous.

Rep. Wyatt asked that a grammatical error be corrected. She moved that on line 5, after the word "acknowledge" the word "a" be added. Rep. Gould seconded. The vote was unanimous.

Rep. Good moved that the bill be made consistent with the above amendment throughout. Rep. Hansen seconded. The amendment CARRIED unanimously.

Recommendation and Vote: Rep. Jan Brown moved HB 424 DO PASS AS AMENDED. Rep. Gould seconded. The vote was unanimous. The bill will be placed on the CONSENT CALENDAR.

HEARING ON HOUSE BILL 388

Presentation and Opening Statement by Sponsor:

Rep. John Mercer, District 50, stated that the bill is seeking to solve a specific problem regarding King's Point on Flathead Lake. The roadway on the point is only 10 to 12 feet wide which is much narrower than county specifications. There is no practical way to widen this road - at some places it is so narrow that

the road would have to be extended into the lake and there are houses on both sides of the road. Since the road doesn't meet specs then county services such as plowing or grading are not provided. The bill would allow the landowners to form a district to collect tax dollars to improve the road in the best and most practical manner and allow the road to deviate from normal county standards. The landowners must petition, the commissioners hold a hearing and then a plan can be set forth to improve the road.

Testifying Proponents and Who They Represent:

None

Proponent Testimony:

None

Testifying Opponents and Who They Represent:

Chuck Stearns, Finance Director and City Clerk, Missoula

Opponent Testimony:

Chuck Stearns stated that he has no objection to the intent of the bill and neither does the League of Cities and Towns as long as the districts are formed only outside the boundaries of incorporated municipalities. As it is currently written they would oppose the bill.

Questions From Committee Members:

Rep. Rehberg asked Rep. Mercer if the county commissioners were required to form such a district if landowners requested it. Rep. Mercer answered that the commissioners "may" form such a district but are not required to do so. This discretion would protect the county in setting a reasonably practical standard.

Rep. Wallin asked Rep. Mercer if the county specifications could not be met because of width. Rep. Mercer stated that width is the sole reason for noncompliance. At one point the land is too narrow and at another point cabins would have to be condemned on both sides to gain the necessary right of way. Rep. Wallin asked Rep. Mercer if the legislation would specify materials and improvements. Rep. Mercer said the bill leaves that up to the discretion of local government.

Rep. Guthrie asked Rep. Mercer if the legislation could be used when agricultural land borders a subdivision forcing the farmer to improve by new owners. Rep. Mercer stated that there should be rigid rules to prevent abuse of the measure.

Rep. Good asked Rep. Mercer if he would object to an amendment with some safeguards. Rep. Mercer had no objections to amendments as long as the road improvement is reasonably practical. These homes have been there for quite some time. He is not asking that the legislation be made available to new subdivisions. Rep. Good asked if a third party such as a county surveyor would agree with the proposed improvements. Rep. Mercer agreed.

Closing by Sponsor: Rep. Mercer asked the committee to consider this bill favorably.

#### HEARING ON HOUSE BILL 416

##### Presentation and Opening Statement by Sponsor:

Rep. Hoffman, District 74, stated that HB 416 is a revenue bill from the last session. A roof repair of the West Yellowstone was authorized and directed the Dept. of Commerce to transfer ownership of the airport to the City of West Yellowstone or other public authority. If no public entity is willing to take over the airport the Department shall present a plan to the 51st Legislature to close the airport. The bill would remove that clause from the law. The airport is self-sufficient and this past summer's fires helped revenues immensely.

##### Testifying Proponents and Who They Represent:

None

##### Proponent Testimony:

None

##### Testifying Opponents and Who They Represent:

None

##### Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Hoffman closed.

DISPOSITION OF HOUSE BILL 416

Motion: Rep. Good moved DO PASS. Rep. Gould seconded.

Discussion: Rep. Johnson asked Rep. Hoffman why the appropriation was coming out of the stripper well payments as stated in the bill and what is the fund for. Rep. Hoffman did not know but it was irrelevant to this bill. Rep. Gould stated that the bill should not be held pending information on the stripper well fund.

Amendments, Discussion, and Votes: None

Recommendation and Vote: HB 416 recommended DO PASS unanimously.

HEARING ON HOUSE BILL 372

Presentation and Opening Statement by Sponsor:

Rep. Budd Gould, District 61, stated that this bill would affect general obligation bonds. Presently the law states that for a general election to be valid you must have 40% turnout or the election is null and void. This bill would change that to 30% with 60% majority for a measure to pass. If there is a 40% turnout then a simple majority is necessary for the measure to pass.

Testifying Proponents and Who They Represent:

Chuck Stearns, City Clerk and Finance Director, Missoula  
Alec Hansen, Montana League of Cities and Towns

Proponent Testimony:

Chuck Stearns stated that this bill would enable the city to operate under the same restrictions as the school districts. This bill would provide consistency among all jurisdictions and simplify the election process.

Alec Hansen stated that his organization passed a resolution unanimously in support of this legislation.

Testifying Opponents and Who They Represent: None

Opponent Testimony:

None

Questions From Committee Members: Rep. Wallin asked Mr. Hansen if the university voters could dominate an election and force a levy on property owners in the city. Mr. Hansen said he was unsure. Mr. Stearns stated that the university population is a transient group that are not consistent voters and purging the voter registration rolls often is helpful in this regard. Rep. Wallin said that the university voters can dominate a vote in Bozeman.

Closing by Sponsor: Rep. Gould addressed Rep. Wallin's concerns about university students. He felt that university students tend to increase the voter registration but do not have a high voter turnout making it harder to achieve 40% turnout for these elections. This is a statewide problem not just Missoula.

DISPOSITION OF HOUSE BILL 372

No action taken.

HEARING ON HOUSE BILL 392

Presentation and Opening Statement by Sponsor:

Rep. Paula Darko, District 2, stated that HB 392 would be a convenience for those with travel trailers or motor homes that leave the state during the winter months which is when they should pay their taxes and registration on these vehicles. This bill moves the date of registration to a time when the "snowbirds" would be in residence in Montana. The state is possibly losing revenues now because it is very hard to register through the mail; so people are registering their vehicles in the state where they happen to be when the registration expires. July 1 creates problem with the fiscal year so amendments are requested to move the date between May 1 to June 15.

Testifying Proponents and Who They Represent:

Gene Pigeon, state officer, Good Sam RV Club

Proponent Testimony:

Gene Pigeon stated that his organization supports this bill

because many "snowbirds" go south for the winter. It is extremely hard and expensive for them to register through the mail. This bill could possibly create a better level of income for county government - tax money that is presently going to other states. He also expressed the support of their state director, Don Tuttle.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Rep. Darko asked for favorable consideration of this bill.

DISPOSITION OF HOUSE BILL 392

Motion: Rep. Brooke moved HB 392 DO PASS. Rep. Dave Brown seconded.

Discussion: None

Amendments, Discussion, and Votes: Lee passed out the recommended amendments. Rep. Hansen moved to amend. Rep. McDonough seconded. The motion to amend CARRIED unanimously.

Recommendation and Vote: Rep. Wyatt moved DO PASS AS AMENDED. Rep. Gould seconded. The vote was unanimous and it will be placed on the CONSENT CALENDAR.

EXECUTIVE ACTION

DISPOSITION OF HOUSE BILL 105

Hearing Date: January 12, 1989

Motion: Rep. McDonough moved HB 105 DO PASS. Rep. Good seconded.

Discussion: Rep. McDonough said that the subcommittee spoke with realtors and clerks and recorders about their concerns. The first amendments makes the title consistent with the next amendment (requested by the clerks and recorders). The second amendment addresses the problem if the original document is not filed



within the required five working days then the recording of the facsimile is void. The third amendment, requested by the realtors, removed realty conveyance documents from this legislation.

Amendments, Discussion, and Votes: Rep. McDonough moved all three amendments. Rep. Dave Brown seconded. The vote to amend was unanimous.

Recommendation and Vote: Rep. Gould moved HB 105 DO PASS AS AMENDED. Rep. Dave Brown seconded. The motion CARRIED unanimously.

#### COMMITTEE BILL REQUEST

Rep. Good stated that the City of Great Falls is presently involved in creating a Business Improvement District. This bill will address the problems they are experiencing in letting bonds on the project. She stated that a committee bill is necessary because the problem was not discovered until after the bill drafting deadline. The contact person in Great Falls is Ardie Aiken.  
Exhibit 1

Rep. Stickney asked if the problem was general or would it be specific to Great Falls only. Rep. Good stated that it would benefit all of Montana.

Rep. Wyatt moved that authorization be given for drafting of a committee bill. Rep. Rehberg seconded. The vote for drafting of such a bill was unanimous.

#### ADJOURNMENT

Adjournment At: 4:40 p.m.



REP. PAULA DARKO, Chairman

PD/TD

2811.min

# DAILY ROLL CALL

LOCAL GOVERNMENT

COMMITTEE

DATE

2/2/89

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

8:45 pm  
2/3/89  
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STANDING COMMITTEE REPORT

February 3, 1989

Page 1 of 2

Mr. Speaker: We, the committee on Local Government report that House Bill 105 (first reading copy -- white) do pass as amended .

Signed: \_\_\_\_\_  
Paula Darko, Chairman

And, that such amendments read as follows:

1. Title, line 7.

Following: "DOCUMENT,"

Insert: "TO MAKE A PERSON WHO FILES A FALSE DOCUMENT BY FACSIMILE  
LIABLE FOR ANY DAMAGES OCCASIONED THEREBY,"

Following: "7-4-2613"

Insert: ", 7-4-2623,"

2. Page 3, line 24.

Following: "(1)"

Insert: "except a document that operates to transfer title to  
realty,"

3. Page 4.

Following: line 13

Insert: "(c) If the original document of which a copy was  
recorded under subsection (2)(a) is not recorded within 5  
working days of recording of the facsimile copy, the  
recording of the facsimile copy is void and of no effect.  
Section 2. Section 7-4-2623, MCA, is amended to read:  
"7-4-2623. Liability of clerk relating to duties as  
recorder -- liability for filing false document by  
facsimile. (1) A county clerk is liable to the party  
aggrieved for three times the amount of the damages which  
may be occasioned thereby and is punishable as provided in  
this code if the county clerk, as ex officio recorder to  
whom an instrument, proved or acknowledged according to law,  
or any paper or notice which may be recorded by law is  
delivered for record:

(1)(a) neglects or refuses to record such instrument,  
paper, or notice within reasonable time after receiving the  
same;

2:45 pm  
6/23/89  
ja

February 3, 1989  
Page 2 of 2

~~42~~ (b) records any instruments, papers, or notices untruly or in any other manner than as hereinbefore directed;

~~43~~ (c) neglects or refuses to keep in his office such indexes as are required by this part or to make the proper entries therein;

~~44~~ (d) neglects or refuses to make the searches and to give the certificates required by this part or if such searches or certificates are incomplete or defective when such incompleteness or defect is due to his direct responsibility particularly affecting the property in respect to which it is requested;

~~45~~ (e) alters, changes, or obliterates any records deposited in his office or inserts any new matter therein.

(2) A county clerk is not liable under subsection (1) for damages that may be occasioned by the filing of a false document by facsimile under 7-4-2613(2) if the facsimile document appears on its face to be valid and authentic. A person filing a false document is liable for the damages occasioned thereby as provided in subsection (1)."

Renumber: subsequent section

STANDING COMMITTEE REPORT

February 3, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 392 (first reading copy -- white) do pass as amended, and be placed on the CONSENT CALENDAR.

Signed: \_\_\_\_\_  
Paula Darko, Chairman

And, that such amendments read:

1. Title, line 6.  
Strike: "JULY"  
Insert: "MAY"
2. Page 1, line 14.  
Strike: "June"  
Insert: "April"
3. Page 1, line 16.  
Strike: "August"  
Insert: "June"
4. Page 1, line 22.  
Strike: "July"  
Insert: "May"  
Strike: "August"  
Insert: "June"
5. Page 3, line 9.  
Strike: "July"  
Insert: "May"
6. Page 3, line 11.  
Strike: "June"  
Insert: "April"
7. Page 3, line 14.  
Strike: "July"  
Insert: "May"
8. Page 3, line 15.  
Strike: "August"  
Insert: "June"

2:45 pm  
2/3/89  
fr

STANDING COMMITTEE REPORT

February 3, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 424 (first reading copy -- white) do pass as amended, and be placed on the CONSENT CALENDAR.

Signed: Paula Darko  
Paula Darko, Chairman

And, that such amendments read:

1. Title, line 5.  
Following: "ACKNOWLEDGE"  
Insert: "A"
2. Page 1, line 22.  
Strike: "his"  
Insert: "the"
3. Page , line 12.  
Strike: "his"  
Insert: "the"
4. Page 6, line 23.  
Strike: "his"  
Insert: "the"

STANDING COMMITTEE REPORT

February 3, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that  
House Bill 416 (first reading copy -- white) do pass.

Signed: Paula Darko  
Paula Darko, Chairman



*The Big Sky Country*

## MONTANA HOUSE OF REPRESENTATIVES

February 2, 1989

MR. SPEAKER: We, the committee on Local Government report that House Bill #384 was tabled on this date.

Signed: \_\_\_\_\_  
PAULA DARKO, Chair



PROPOSED AMENDMENT TO SECT. 7-12-1133

2/2/89  
proposed committee bill

There will be a new Sect. 2(d):

- 2.(d) each bulding may be assessed based on the square  
footage of the occupied or income generating floors  
above the first floor.

Present Sect. 2.(d) will become Sect. 2(e).

The purpose of the change is to provide a more equitable square footage  
assessment formula. Under current law a vacant lot, a one story building  
and a five story building are all assessed the same based upon a square  
footage basis.

The proposed change would allow for additional assessments for multi-story  
buildings based upon the square footage that is occupied or income generating  
above the first floor. Unlike taxable valuation this is a simple method  
not as subject to annual change. This provides more flexibility for  
Montana communities.

Effective date to be upon passage.

(4) A copy of the resolution shall be delivered to the treasurer of the local government to be placed on the tax roll and collected in the same manner as other taxes.

History: En. Sec. 14, Ch. 656, L. 1985.

**7-12-1133. Assessment of costs — area, lot, and taxable valuation options.** (1) At the same time the board submits the annual budget and work plan to the governing body as provided in 7-12-1132, the board shall also recommend to the governing body a method of levying an assessment on the property within the district which will best ensure that the assessment on each lot or parcel is equitable in proportion to the benefits to be received.

(2) The governing body shall annually assess the entire cost of the district against the entire district using a method which best ensures that the assessment on each lot or parcel is equitable in proportion to the benefits to be received. In determining the method of assessment to be used, the governing body shall consider the recommendations of the board. The governing board shall levy the assessment using one of the following methods:

(a) each lot or parcel of land within such district may be assessed for that part of the whole cost which its area bears to the area of the entire district, exclusive of streets, avenues, alleys, and public places;

(b) if the governing body determines that the benefits derived by each lot or parcel are substantially equivalent, the cost may be assessed equally to each lot or parcel located within the district without regard to the area of the lot or parcel;

(c) each lot or parcel of land, including the improvements thereon, may be assessed for that part of the whole cost of the district which its taxable valuation bears to the total taxable valuation of the property of the district; or

(d) by using any combination of the assessment options provided in subsections (a) through (c).

History: En. Sec. 15, Ch. 656, L. 1985.

**7-12-1134 through 7-12-1140 reserved.**

**7-12-1141. Duration of district.** The period of duration of a business improvement district is for the period specified in the resolution of the governing body creating the district but shall not be for a period longer than 10 years unless the duration of the district is extended in compliance with the provisions of this part for the creation of a district.

History: En. Sec. 16, Ch. 656, L. 1985.

**7-12-1142. Governing body not to decrease public services.** The governing body may not decrease the level of public services in the district existing prior to the creation of the district unless the services at the same time are decreased throughout the jurisdictional area of the governing body, nor may it transfer the financial burden of providing those services to the district. The governing body may not discriminate in the provision of publicly funded services between areas included in such district and areas not so included.

History: En. Sec. 17, Ch. 656, L. 1985.

**7-12-1143. Liability insurance required.** The governing body may not approve the annual budget or the work plan submitted to it by the board

## VISITORS' REGISTER

Local Government COMMITTEEBILL NO. 372DATE 2/2/89SPONSOR Gould

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
ACEC Hansen	MLCT	✓	
Chuck Stearns	City of Missoula	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

Local Government COMMITTEE

BILL NO. 384

DATE 2/2/89

SPONSOR SPRING

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

Local Government COMMITTEE

BILL NO. 388

DATE 2/2/89

SPONSOR MERCER

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

Local Government COMMITTEE

BILL NO. 392

DATE 2/2/89

SPONSOR DARCO

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

## VISITORS' REGISTER

Local Government COMMITTEE

BILL NO. 416

DATE 2/2/89

SPONSOR HOFFMAN

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Local Government COMMITTEE

DATE 2/2/89

SPONSOR GRADY

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.