

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By DIANA WYATT CHAIR, on February 5, 1991, at
3:00 p.m.

ROLL CALL

Members Present:

Diana Wyatt, Chair (D)
Jessica Stickney, Vice-Chair (D)
Joe Barnett (R)
Arlene Becker (D)
Vivian Brooke (D)
Brent Cromley (D)
Paula Darko (D)
Tim Dowell (D)
Budd Gould (R)
Stella Jean Hansen (D)
Harriet Hayne (R)
Ed McCaffree (D)
Tom Nelson (R)
Jim Rice (R)
Sheila Rice (D)
Richard Simpkins (R)
Norm Wallin (R)

Members Excused: REP. D. BROWN (D)

Staff Present: Bart Campbell, Legislative Council
Lois O'Connor, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

HEARING ON HB 201

Presentation and Opening Statement by Sponsor:

REP. COHEN, House District 3, Whitefish, stated HB 201 would amend the restrictions placed on cities to annex property. In 1905, the Legislature passed the law restricting the ability of cities to annex wholly surrounded property. HB 201 addresses two things: (1) it allows cities to annex wholly surrounded industrial, manufacturing and transportation properties, and (2) it defines the language "wholly surrounded". If the external boundaries of the land are 50% contiguous with the city boundary and are used for transportation purposes, it is considered wholly surrounded.

Proponents' Testimony:

Jim Tillotson, City Attorney, Billings, stated Billings had annexed many properties. He showed a map of the property involved. As a result, the property considered wholly surrounded received significant benefits from the city and should pay their fair share for benefit received.

Jim Nugent, City Attorney, Missoula, stated municipal governments must be allowed to govern the entire urban area. It allows for a sound basis for planning, orderly growth, and standardization of services and facilities.

Alec Hansen, Montana League of Cities and Towns, said the law restricting the annexation power of cities has been intact for years. These exemptions are a serious impediment to the effective development and management of municipal governments. In many Montana towns, the railroad is a major taxpayer; however, in other towns where the railroad is a big economic presence, it is not listed as a major taxpayer because the properties are not wholly surrounded. How can a city "wholly surround" a transcontinental railroad when there will be open ends on the right of way? Properties annexed into the city will no longer be subject to the 15 mill road fund. Municipal properties are not required to pay the fund. Wholly surrounded properties within the city limits require a city street to get to and should not be exempt from annexation. HB 201 would address an 86 year old wrong.

Opponents' Testimony:

Dennis Burr, Montana Taxpayers Association, stated cities can annex anything they want if they give notice and have the consent of the property owner. HB 201 has exceptions for transportation, industrial or manufacturing property that is wholly surrounded but under other laws that property can be annexed. HB 201 would make it difficult to encourage industrial development in areas close to the city limits.

Linda Stoll-Anderson, Montana Association of Counties, sees HB 201 as a land grab by cities. When you add to the cities taxable value by allowing annexation, you take away from the counties taxable value. The properties stated in the bill can be annexed if they desire.

James Lofftus, Montana Fire Districts Association, stated HB 201 is unnecessary.

Bruce Suenram, Missoula Fire District, stated the legislation causes a shift in the taxpayer base from what it was prior to annexation and causes a tax increase.

Warren Wilcox, John R. Daily Company, Missoula, stated his company is a small meatpacking company located on the edge of the Missoula city limits. If they were annexed, it would raise their property taxes 25%. John R. Daily is surrounded on two sides by an industrial park, a community park, and the city sewer plant. If wholly surrounded is deleted and 50% contiguous rule is brought about, it will leave them open to added taxation. John R. Daily is an export business and cannot raise their prices if their taxes are raised.

Tom Leonard, West Helena Volunteer Fire Department, said if the cities annex an area the property owners are losing their choice of where they want to live. HB 201 gives taxation without representation. The wholly surrounded method of annexation does not ask the property owner if they would like to have city services. As a fire chief, they provide service to the community. If they lose tax entities, they still have to provide the service.

Tim Mellgren, Director, Montana Wood Specialty, Missoula, submitted written testimony. EXHIBIT 1

REP. TOOLE, House District 60, Missoula, stated this type of annexation is nonconsensual. It requires no consultation with the people affected or local government entities. There are several annexation methods listed in the statutes. Counties and cities are equally capable of providing a range of urban and rural services. HB 201 makes possible land grabs by city and towns. They have the ability to offer a service to people and shouldn't be allowed to go around the annexation procedures. The wholly surround statute has been in effect for years. The change in this bill is major and radical.

Pat Keim, Burlington Northern Railroad, Helena, submitted written testimony. EXHIBIT 2

John Green, Rarus and Montana Western Railroad, asked what would happen to the rural fire departments if this annexation is passed. HB 201 will be costly.

Questions From Committee Members:

REP. McCAFFREE asked Jim Tillotson what the maximum mill levy was to a city. Mr. Nugent stated the levies varied from city to city; but for Billings, it is 74 mills. REP. SIMPKINS stated Mr. Tillotson is referring to a charter government which sets maximum mill levies in their charters. The non-charter governments go by the codes.

REP. GOULD stated his concern about annexing railroad property. It surrounds everything. Instead of having a small island, you will have a total island. REP. GOULD asked Bruce Suenram if that

would be a possibility with HB 201. Mr. Suenran replied most of the railroad property is already in the city limits of Missoula. The potential of the bill would be the extension into other areas such as Montana Wood Specialties, Louisiana Pacific, and the Patagonia facility.

REP. S. J. HANSEN asked Jim Nugent how much taxes would be raised for Montana Wood Specialties and John R Daily, Inc. if they were to be annexed. Mr. Nugent stated the wholly surrounded properties they were looking at did not include John R. Daily, Inc. Chuck Stearns would have to answer for Montana Wood Specialties. He was not present. REP. HANSEN asked if the 50% contiguous law would affect John R. Daily, Inc. Mr. Nugent said it wouldn't apply.

REP. DOWELL asked Mr. Greene who is currently responsible for fire protection when the railroad is inside the city limits. Mr. Greene said it depended on the city. Butte has its own fire protection, security, and sewage treatment. In Anaconda, they use the city fire department and sewage plant, but have their own security. Rarus and Montana Western Railroad do pay a city tax in Anaconda.

REP. SIMPKINS asked REP. COHEN why he just didn't delete the law. REP. COHEN stated all local government should be consolidated on a county wide basis. All profit making centers that are wholly surrounded and utilize the local services should have to pay for the services received.

REP. DOWELL asked REP. COHEN if they would see changes in Whitefish if the proposed bill would be adopted and if cities provide better services than counties. REP. COHEN said he hoped so. It would be up to the city council to ask the people to abide by the restrictions on land use. REP. COHEN added he didn't know of many counties who provide sewage systems. It's the people outside the city limits who are polluting the land.

REP. BROOKE asked Tim Mellgren if he had estimated taxes he would have to pay under this bill. Mr. Mellgren said the minimum tax increase would be 15 to 20%. That amount is intolerable because the county taxes are quite extensive already. REP. BROOKE asked if there would be a deletion of county taxes on his property if he paid city taxes. Mr. Mellgren said his county taxes are \$75,000 a year and if they are annexed they should be reduced but he didn't know how much.

REP. McCAFFREE stated the maximum mill levy for a city is 95 mills. If property is annexed it would expose them to the millage of the city plus the 65 mills the county can levy. REP. McCAFFREE asked REP. COHEN if that wouldn't expose the property owners to a substantial tax increase. REP. COHEN said the purpose of the bill is to allow those people who are wholly surrounded and benefit from services to participate in the funding of those services.

REP. CROMLEY asked Alec Hansen how many properties this bill would affect, not counting railroad properties, in the state. Mr. Hansen replied he was not sure but felt it would affect numerous properties.

Closing by Sponsor:

REP. COHEN stated HB 201 was a taxation bill. The objection to the bill was to allowing the 50% contiguous to be used as part of the definition of wholly surrounded. If you were to remove that language from the bill, the cities could still annex the truly wholly surrounded areas. Wholly surrounded industrial, transportation, and manufacturing property should be part of a community tax base.

HEARING ON HB 290

Presentation and Opening Statement by Sponsor:

REP. BENEDICT, House District 64, Hamilton, stated HB 290 would allow district court clerks to maintain records on a computer. It would give them the statutory authority to bring the electronic age to their record keeping.

Proponents' Testimony:

Tom Harrison, Montana Clerks of Court Association, provided written testimony. EXHIBIT 3

Questions From Committee Members:

REP. McCAFFREE asked Tom Harrison if HB 290 would allow the clerks of court to get rid of all hard copies of transcripts. Mr. Harrison replied no. The statutory requirement is to have hard copies of transcripts.

REP. S. RICE asked Mr. Harrison if there was something that specifically excludes computer records. Mr. Harrison stated nothing excludes computer records but nothing refers to it either. The bill is needed to make sure that if computer records are kept, the clerks of court are not in violation of the law.

REP. GOULD asked Mr. Harrison if there were appropriations available for this bill. Mr. Harrison stated he did not know how the counties were getting the money but they were.

Closing by Sponsor:

REP. BENEDICT urged committee support for HB 290.

HEARING ON HB 285

Presentation and Opening Statement by Sponsor:

REP. SCHYE, House District 18, Glasgow, stated mosquito district funds are tied to the mill levies. HB 285 would allow the County Commissioners to put a fee system on houses and businesses instead of property tax. The people in his district are willing to pay the added fee.

Proponents' Testimony:

Rick Stellflug, Glasgow Mosquito Control District, submitted written testimony. EXHIBIT 4

Brent Magill, Director, Glasgow Public Works, submitted written testimony. EXHIBIT 5

Linda Stoll-Anderson, Montana Association of Counties, went on record in support of HB 285.

Doug Johnson, Cascade County Mosquito Management District, stated HB 285 was an environmental bill. Rural districts will be given the opportunity to raise the funds for new and better chemicals used in mosquito spraying.

Questions From Committee Members:

REP. J. RICE asked REP. SCHYE if the fee assessment would be as an alternate to paying the levy and how many mosquito districts are there in the state. REP. SCHYE stated the fee assessment would be an alternate and there are 34 to 36 mosquito districts.

Bart Campbell explained his interpretation was that districts can have a combination of both the fee assessment and the paying of the levy. REP. J. RICE asked if he was reading the bill wrong. Mr. Campbell said the bill needed to be clarified. REP. SCHYE stated there was confusion and asked the committee to clarify the bill as needed.

Closing by Sponsor:

REP. SCHYE said HB 285 would ease the funding problems mosquito districts are having. Mosquitoes are becoming a health problem in Glasgow.

HEARING ON HB 230

Presentation and Opening Statement by Sponsor:

REP. LARSON, House District 65, Seeley Lake, stated HB 230 would allow the trustees of a fire district to establish a capital improvement fund to replace worn out equipment.

Proponents' Testimony:

James Lofftus, Montana Fire District Association, stated fire districts need creative financing to replace worn out equipment.

Tom Leonard, West Helena Valley Volunteer Fire Department, stated their equipment is outdated and needs to be replaced. We need a fund where we can save monies until the equipment is ready to be replaced.

Roy Cornell, Beaverhead Fire District #2, Dillon, said reserve funds were illegal and there was no statutory provision for reserve funds in fire districts.

Bruce Suenram, Missoula Rural Fire District, stated fire districts need a fund to reserve the money needed to keep fire apparatus operating safely.

Linda Stoll-Anderson, Montana Association of Counties, said most counties in Montana are taking audit exceptions because of the legal inability to create the capital development funds needed for volunteer fire districts.

Henry Lohr, Montana Volunteer Firefighters Association, wanted to go on record in support of HB 230.

Closing by Sponsor:

REP. LARSON asked the committee to look favorably on HB 230.

EXECUTIVE ACTION ON HB 65

Motion: REP. McCAFFREE MOVED HB 65 DO PASS.

Discussion: Bart Campbell explained the amendments. EXHIBIT 6

Motion: REP. McCAFFREE moved to amend HB 65. Motion carried unanimously.

Motion/Vote: REP. J. RICE MADE A SUBSTITUTE MOTION THAT HB 65 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 290

Motion/Vote: REP. GOULD MOVED HB 290 DO PASS. Motion carried unanimously.

Motion/Vote: CHAIR WYATT MOVED HB 290 BE PLACED ON CONSENT CALENDAR. Motion carried unanimously.

EXECUTIVE ACTION ON HB 122

Motion: REP. STICKNEY MOVED HB 122 DO PASS.

Discussion: REP. STICKNEY explained the amendments.

REP. SIMPKINS stated no one is being helped by the bill with I-105 in place. The possibility of HB 122 being killed in the Appropriations Committee is high because of the price tag involved.

REP. STICKNEY stated the non-indigent inmate pays for his own services; if he doesn't pay, is it still in the sheriff's budget. REP. SIMPKINS said the county will not pick up the expense in cases of home arrest or pre-release centers.

Motion/Vote: REP. STICKNEY moved to amend HB 122. Motion carried unanimously. EXHIBIT 7

Motion/Vote: REP. STICKNEY MADE A SUBSTITUTE MOTION THAT HB 122 DO PASS AS AMENDED. Motion passed unanimously.

EXECUTIVE ACTION ON HB 285

Discussion: REP. GOULD asked if amendments were needed. Bart Campbell stated that REP. J. RICE had talked to REP. SCHYE about the proposed amendments. EXHIBIT 8

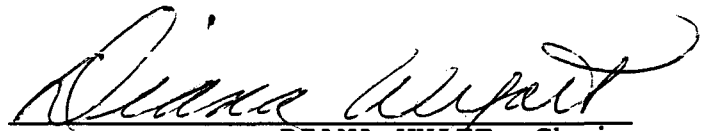
REP. J. RICE asked Bart Campbell if Line 24 and 25, Page 1, should read \$20 fee per single unit dwelling per year. Mr. Campbell stated those fees would be collected with the general taxes of the county. It wouldn't hurt to clarify that in the amendments.

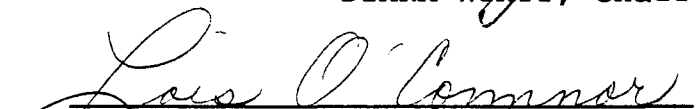
Motion/Vote: REP. J. RICE moved to amend HB 285. Motion carried unanimously.

Motion/Vote: REP. DARKO MOVED HB 285 DO PASS AS AMENDED. Motion carried 16 to 2 with REPS. SIMPKINS and WALLIN voting no.

ADJOURNMENT

Adjournment: 5:30 p.m.



DIANA WYATT, Chair


LOIS O'CONNOR, Secretary

HOUSE OF REPRESENTATIVES
LOCAL GOVERNMENT COMMITTEE

ROLL CALL

DATE 2-5-91

NAME	PRESENT	ABSENT	EXCUSED
Rep. Paula Darko	X		
Rep. Jessica Stickney, Vice-Chair	X		
Rep. Joe Barnett	X		
Rep. Arlene Becker	X		
Rep. Vivian Brooke	X		
Rep. Dave Brown			X
Rep. Brent Cromley	X		
Rep. Tim Dowell	X		
Rep. Budd Gould	X		
Rep. Stella Jean Hansen	X		
Rep. Harriet Hayne	X		
Rep. Ed McCaffree	X		
Rep. Tom Nelson	X		
Rep. Jim Rice	X		
Rep. Sheila Rice	X		
Rep. Richard Simpkins	X		
Rep. Norm Wallin	X		
Rep. Diana Wyatt, Chair	X		

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HOUSE STANDING COMMITTEE REPORT

February 5, 1991
Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 65 (first reading copy -- white) do pass as amended

Signed: *Diana Wyatt*
Diana Wyatt, Chairman

And, that such amendments read:

1. Title, line 6.
Following: "VEHICLES;"
Insert: "AND"
2. Title, lines 6 through 8.
Strike: "; AND" on line 6 through "DATE" on line 8
3. Page 2, lines 10 through 21.
Strike: subsections (3) and (4) in their entirety
4. Page 3, lines 2 through 7.
Strike: section 3 in its entirety

Luis O'Connell

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HOUSE STANDING COMMITTEE REPORT

February 5, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 290 (first reading copy -- white) do pass and be placed on consent calendar .

Signed: Diana Wyatt
Diana Wyatt, Chairman

HOUSE STANDING COMMITTEE REPORT

February 5, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Local Government report that House Bill 122 (first reading copy -- white) do pass as amended

Signed: 
Diana Wyatt, Chairman

And, that such amendments read:

1. Title, line 7.

Strike: "FOR INPATIENT HOSPITAL SERVICES"

2. Title, line 9.

Following: "AUTHORITY;"

Insert: "PROVIDING AN APPROPRIATION;"

3. Title, lines 9 and 10.

Following: "7-32-2222" on line 9

Strike: "AND"

Insert: ", "

Following: "53-3-205," on line 10

Insert: "AND 53-3-206,"

4. Page 5, lines 22 and 23.

Strike: ", but only for inpatient hospital services,"

5. Page 6.

Following: line 11

Insert: "Section 3. Section 53-3-206, MCA, is amended to read:

"53-3-206. Eligibility for general relief medical assistance. (1) In order to be considered ~~for eligibility~~ eligible for general relief medical assistance, a person must be found to have a serious medical condition.

(2) Eligibility for general relief medical assistance must be determined as provided in 53-3-205 and this section. A Except as provided in subsection (9), a person with a serious medical condition must apply for general relief medical assistance prior to the provision of medical services or within 90 days of the date the medical service is first provided. Eligibility is determined as of the date medical service is first provided.

(3) All persons who reside in the same residence and are either married to each other or are the parents or children of other persons living in the same residence are considered to be

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one household for purposes of determining general relief medical assistance.

(4) All individual or household resources must be used to offset medical obligations except those resources excluded in 53-3-205(7) or used to offset nonmedical general relief payments during the same period.

(5) A household is ineligible to receive general relief medical assistance if the household is ineligible for medicaid as a result of overpayment, fraud, or failure or refusal to comply with requirements for continued participation in the medicaid program.

(6) To determine eligibility for county general relief medical assistance, a county welfare board may promulgate rules to establish the circumstances under which persons are unable to pay for their medical aid and hospitalization. However, no household with an income exceeding 300% of the amount set forth in 53-3-205(2) is eligible for such medical assistance.

(7) In a county with state-assumed welfare services, a person is not eligible for medical services if the household in which he resides has an average monthly income after consideration of the earned income disregard provided for in 53-3-205(3), reasonably certain to be received in a 12-month period beginning with the month the medical service was provided, in excess of the amount established by the department by rule. The department shall establish the amount, taking into account the size of the household and the estimated number of eligible households. The amount must be 150% of the amount established in 53-3-205(2).

(8) Notwithstanding the other provisions of this section, in a county with state-assumed welfare services, a person whose eligibility for general relief assistance is terminated because of earned income from employment may continue to receive general relief medical assistance for 1 month."

(9) A person described in 53-3-205(8)(b) is immediately eligible for general relief medical assistance if declared indigent by the district court. No other requirements for eligibility may apply except that the person must have a serious medical condition for which treatment is medically necessary."

NEW SECTION. Section 4. Appropriation. The following money is appropriated from the general fund to the department of social and rehabilitation services to provide for the additional general medical relief assistance required in [sections 1 and 2]:

Fiscal Year 1992	\$254,441
Fiscal Year 1993	339,255"

HOUSE STANDING COMMITTEE REPORT

February 6, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 285 (first reading copy -- white) do pass as amended

Signed:


Diana Wyatt, Chairman

And, that such amendments read:

1. Page 1, line 16.

Following: "district"

Insert: "by one or both of the following methods"

2. Page 1, line 17.

Following: "(a)"

Strike: "by"

3. Page 1, line 20.

Following: "taxes;"

Strike: "or"

4. Page 1, line 21.

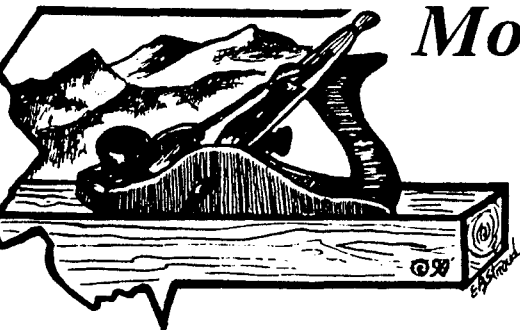
Following: "(b)"

Strike: "by"

Following: "collecting"

Strike: "a"

Insert: "an annual"



Montana Wood Specialties, Inc.

Bitterroot & Milwaukee Tracks

P.O. Box 7676

Missoula, Montana 59807

Phone: (406) 721-7980

FAX: (406) 721-8627

EX-187 1

DATE 2-5-91

HS 201

POSITION STATEMENT ON HB201

BY

MONTANA WOOD SPECIALTIES

MISSOULA, MONTANA

FEBRUARY 5, 1991

My name is Tim Mellgren. I am the Director of Montana Wood Specialties in Missoula, Montana. Montana Wood Specialties is a unique, employee-owned Montana corporation which began business on September 20th of 1990. The company manufactures secondary wood products and serves a national as well as international market. The company purchased the plant from Champion International on a 7-year note and also secured a large operating loan from a local bank. Currently Montana Wood Specialties employs 20 people, down from 42 last fall. The company is highly leveraged and struggling to establish itself in the market place.

Our concern about this bill is simple. We feel that retaining the ability to decide whether our company will be annexed into the city is of utmost importance. In the past, we have chosen not to enter the city because the disadvantages, including increased regulation and taxes, far outweigh any advantages that we have yet to discover. At this point, a tax increase alone could easily spell the end of this business. This situation would obviously benefit no one. Until the City of Missoula can show us that there are some clear advantages to being annexed, we would like to retain our right to make our own choice on annexation.

Our company is only one of many in Montana that would be adversely affected by this bill. The situation of our company is not unlike that of businesses large and small throughout Montana. In trying times, the added burden of taxes and regulation to struggling companies could signal the end of some businesses. Ours must surely be included in that group.

I. RAILROADS PLACE MINIMAL DEMANDS ON LOCAL GOVERNMENTS

A. OWN WATER AND SEWER SYTEMS

1. WHITEFISH CHARGES 25% MORE THAN RESIDENT RATE

B. ROADS

1. ACCESS BY STATE AND COUNTY TAX SUPPORTED ROADS

2. OWN INTERNAL RAODS

C. ALREADY IN LOCAL SCHOOL DISTRICTS

II. REAL LOOSER IS RURAL TAXING DISTRICTS

1. RURAL FIRE

2. COUNTY TAXING DISTRICTS

3. COUNTY DISTRICT BONDING AUTHORITY. THIS COMMITTEE WILL BE

HEARING SEVERAL RURAL BONDING AUTHORITY REQUESTS. WHAT WILL

HAPPEN TO THEM IF MAJOR PARTS OF THEIR TAX BASE IS REMOVED FROM

THEIR TAXING BASE? EVEN THE THREAT OF REMOVAL WILL JEOPRADIZE THEIR

ABILITY TO ISSUE AND SELL BONDS.

III. POTENTIAL OF DOMINO EFFECT ON ADJACENT LAND OWNERS.

AS RAILROAD LAND IS ANNEXED ADJACENT LAND WILL BECOME CONTIGUOUS
TO CITIES

IV. AIMED AT RAILROADS

A. THIS MEASURE IS CLEARLY AIMED AT RAILROADS. BUT ITS EFFECT WILL

ONLY BE THE MOVEMENT OF TAXABLE VALUATION FOR THE BENEFIT OF ONE

GOVERNMENT ENTITY AT THE EXPENSE OF ANOTHER.

B. THERE IS NO BENEFIT FOR THE RAILROADS

V. BN HAS BEEN A GOOD NEIGHBOR

A. GRANTS AND GIFTS

- 1. FOUNDATION 1988-1990- \$152,150**
- 2. DEPOT PLUS \$300,000**
- 3. SELECTED AS GOLD CLUB MEMBER OF FLATHEAD COUNTY UNITED WAY**

B. OTHER

- 1. OPERATION LIFESAVER IN SCHOOLS**
- 2. WINOLD REISS ART EXHIBIT**
- 3. ADDS PROMOTING CONCERTS AND FUND RAISING EVENTS**

C. WHITEFISH LAKE

- 1. 17,000 TIES AND 7 MILES OF NEW RAIL ALONG LAKE**
- 2. 1100 FEET OF SEA CUTAIN TO THE COUNTY**
- 3. 200 BALES OF ABSORBANT MATERIAL ON HAND**

DATE 2-5-91

48 290

FILED
MAR 8 - 1990
Ed Smith
CLERK OF SUPREME COURT
STATE OF MONTANA

IN THE SUPREME COURT OF THE STATE OF MONTANA

IN THE MATTER OF ADOPTING RULES ON
THE USE OF COMPUTERS IN THE MONTANA
JUDICIARY

ORDER

WHEREAS, the Montana Judiciary has both a need and a responsibility to coordinate the automation of information management systems in the various courts; and

WHEREAS, the efficient provision of uniform software packages and computer training for district and limited jurisdiction courts is only possible if court automation systems are coordinated and uniform; and

WHEREAS, the Supreme Court feels a strong responsibility to encourage the greatest possible uniformity and efficiency in the administration of justice; and

WHEREAS, Article VII, section 2 of the Montana Constitution vests the Supreme Court with general supervisory control of all courts in Montana and with authority to make rules governing procedure in courts in Montana.

NOW, THEREFORE, IT IS ORDERED: Unless otherwise provided, all courts in Montana that computerize judicial functions must adhere to the following computerization standards:

STANDARD I: HARDWARE

The following hardware standards are adopted for judicial offices:

- 1) IBM compatible Personal Computers (PC's) with an 80286 or 80386 processor chips;
- 2) IEEE 802.5 Token Ring standard network card;
- 3) IBM or Hewlett Packard or compatible laser printers;
- 4) IBM Proprinter or compatible dot matrix printers.

Exhibit 3 p.
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STANDARD II: SOFTWARE

The following software standards are adopted for judicial offices:

- 1) PC-DOS version 3.3 operating system;
- 2) WordPerfect Library and WordPerfect Office;
- 3) Wordperfect version 5.0 or 5.1;
- 4) Lotus 1-2-3 version 2.2;
- 5) Novell Netware version 2.15 or OS2 Local Area Network Server;
- 6) Advanced Revelation Data Base Management System;
- 7) Court Management Software supported by the Office of the Court Administrator using Advanced Revelation.

STANDARD III: SECURITY

The following security standards are adopted for judicial offices.

- 1) Uninterruptible power supply on any network servers;
- 2) Surge protector on all workstations;
- 3) Tape backup system for any Local Area Network;
- 4) Backups of all files must be done on a daily basis using either tape backup units or floppy disks. A five-day backup system is required with backup files stored off-site for the Friday backup;
- 5) The installation of all public domain software on judicial computers is prohibited without express approval of the Office of the Court Administrator;
- 6) Standard password security procedures and network security procedures recommended by the Office of Court Administrator are required to be followed so as to ensure information security.

STANDARD IV: STEWARDSHIP AND CONTROL OF JUDICIAL INFORMATION

The following standard of judicial information stewardship and control is adopted:

- 1) The Judicial Branch has sole stewardship and control of all information processed by and stored on any computer used by judicial offices, subject to

applicable Constitutional and statutory provisions.
STANDARD V: EXISTING SYSTEMS

The following standard for existing computerization within the Judicial Branch is adopted:

- 1) Nothing in the uniform computer standards is meant to displace computer equipment or software in use in judicial offices on the effective date of the Court's Order. The Court specifically recognizes that several courts have existing systems that function well and are serving the purposes for which public money was expended.
- 2) Judicial officers with existing computer equipment that does not meet the standards of this Order are encouraged to work with the Commission on Appropriate Technology and the Office of the Court Administrator whenever existing systems are modernized or replaced in order to facilitate the eventual migration of all judicial computer systems towards the uniform standards herein established.
- 3) Court computerized systems in existence prior to the effective date of the Supreme Court Order must be able to provide electronic information on judicial activities, when requested, in and industry standard format such as ASCII.

STANDARD VI: ADMINISTRATION AND EXCEPTIONS

- 1) The Administrator of the Office of the Court Administrator is designated by this Court to administer these standards.
- 2) Exceptions to the above standards may only be made on a case-by-case basis. The Administrator of the Office of the Court Administrator must review all requests for exceptions and may approve requests, after consultation with the Court's Commission on Appropriate Technology, only when the benefits clearly outweigh the disadvantages.

IT IS FURTHER ORDERED that these proposed standards shall be distributed to allow comments from the bench and bar of Montana. The Court will accept comments on the proposed standards for a period of 60 days from the date of this order, after which time the Court will consider whether to reject the proposed standards, or to adopt them in whole or in part.

The Clerk is directed to mail a copy of this order to each District Court Clerk, District Court Judge, and Judge or Justice

EXHIBIT⁵ 5 p. 4
DATE 2-5-91
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of the Courts of Limited Jurisdiction of the State of Montana with a request that the standards be made available for review by the bench, bar and public in the Clerk of Court's office. The Clerk is further directed to mail a copy of this order to the State Bar of Montana, with the request that this order be published in The Montana Lawyer.

DATED this 8th day of March, 1990.

J. A. Ternage
Chief Justice

John L. Shuby

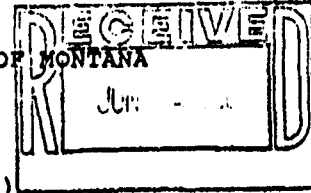
William E. Hendon

R. C. McDougall

[Signature]
Justices

Exhibit 3f
2-5-91
HB 290

IN THE SUPREME COURT OF THE STATE OF MONTANA



IN THE MATTER OF ADOPTING RULES ON THE
USE OF COMPUTERS IN THE MONTANA JUDICIARY

)
)
)
O R D E R

WHEREAS heretofore this Court has proposed computerization standards for all courts in Montana by order dated March 8, 1990, and comments were solicited for a period of 60 days; that on March 29, 1990, this Court adopted such standards effective immediately with solicitation of comments to be continued during the 60 day period from March 8, 1990; and that such comment period has now expired and ten comments have been received, noted and considered,

IT IS HEREBY ORDERED that the computerization standards and orders of this Court, dated March 8, 1990 and March 19, 1990, are affirmed.

IT IS FURTHER ORDERED that the Court Administrator is now receiving applications for exceptions to these standards and shall provide for hearings on the same, and that special consideration will be given to applications for exceptions in reference to systems primarily for accounting, juror warrants, mileage records, witness books, jury lists, and selection of jurors.

IT IS FURTHER ORDERED that a copy of this order shall be served by mail on all district judges, municipal judges, justices of the peace, clerks of the district court and boards of county commissioners.

Exhibit 3
p. 6

DATED this 12th day of June, 1990.

J. A. Tunney
Chief Justice

John Conway Dession
John G. La

William Hunter
P. C. McLaughlin
Paul Sheehy
Justices

Justice John C. Sheehy did not participate.

Exhibit 3 p. 7

HB 290

IN THE SUPREME COURT OF THE STATE OF MONTANA

IN RE THE MATTER OF ADOPTING RULES ON
THE USE OF COMPUTERS IN THE MONTANA
JUDICIARY

)
) ORDER
)

WHEREAS, heretofore on the 8th day of March, 1990, this Court upon the recommendation of its Committee on Appropriate Technology, by order proposed standards of computerization to be used by all courts in Montana, and asked for comments thereon for a period of 60 days from the date of said order, after which the Court would consider whether to reject or adopt such standards in whole or in part, and

WHEREAS, it appears that it is necessary to adopt such standards to be effective immediately.

IT IS HEREBY ORDERED that all of the proposed computerization standards set forth in this Court's order dated the 8th day of March, 1990, are adopted and in force effective immediately.

IT IS FURTHER ORDERED that the original period for comments will continue after which time the Court will consider whether to alter, modify or vacate the same in whole or in part.

IT IS FURTHER ORDERED that the Clerk of this Court is directed to mail a copy of this order to each District Court Clerk of the State of Montana, District Judge, and Justice or Judge of Courts of Limited Jurisdiction, and a copy of this order and the Court's order of March 8, 1990, to each Board of County Commissioners

EXHIBIT 3 p. 8

DATE 2-5-91

HB 290

of each county within the State of Montana.

DATED this 29th day of March, 1990.

J. A. Tammage
Chief Justice

John Conway Harrison

William H. Smith Sr

Alvin H. Barr

R. C. McHenry

[Signature]
Justices

END

Local Funding Problems

Substantial funding problems exist for county mosquito control districts. Statewide, less money was spent for mosquito control in 1990 than in 1981 (\$475,000 vs. \$484,000) even though four additional programs were formed. Peak spending of \$582,000 occurred in 1984-5. Historically funding has been low in rural areas in Montana and low in Montana compared to more populated states. Contributing reasons include:

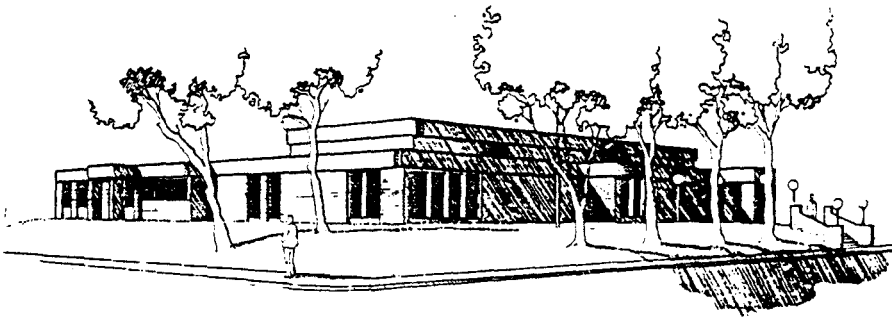
- 1) In Montana the property tax mill cap for mosquito control is 5; in Florida and California the cap is 10 and in Utah the cap is 20.
- 2) Montana does not have State revenue sharing for mosquito control (N.C., N.J., CA, FL, N.Y. e.g. do).
- 3) Montana statutes do not include the authority to exceed the mill cap with a vote of the electors (Utah laws do).
- 4) Montana statutes do not provide the authority for emergency funding for mosquito control per se nor the authority to levy standby charges for emergencies (CA does).

Increased operating costs since 1981 along with frozen or reduced funding levels over the period prevent mosquito control districts from providing the same level of service as could be provided 10 years ago. (The effect has been mitigated by joint bid letting for pesticides, implementation of programs that avoid duplication of effort between counties - ULV equipment and cholinesterase monitoring, mosquitofish planting programs, etc.).

The impact of CI 105 on mosquito control district funding was increased when several programs relied on cash reserves or external contracts instead of a mill levy during the index year specified by CI 105. As a result, substantially less than historical levels of support are available to a number of districts. Examples follow:

Community/District	1984 Budget level	1989 Budget level
Glasgow	\$35,950	\$14,000
Kalispell	\$29,981	\$10,000
Livingston	\$ 8,900	\$ 3,500

Columbus, Columbia Falls, Edgar (dissolved) and Sunburst have mill levies of 0.



Valley County

501 Court Square
Glasgow, Montana 59230

Phone: (406) 228-8221

FAX: (406) 228-9027

EXHIBIT 5
DATE 2-5-91
#B 285

TO: House Local Government Committee

FROM: Valley County Commissioners

DATE: February 4, 1991

RE: House Bill 285

The Valley County Commissioners wish to thank you for allowing representatives of our Glasgow Mosquito Control District Board, Mr. Brent Magill and Mr. Rick Stellflug, the time to testify on behalf of House Bill 285, which is sponsored by Representative Ted Schye.

The most important thing to remember about this subject Bill is that it WILL NOT require any County to change their present way of assessing fees in their Mosquito Districts. What it would do is make the option available for an "either/or" fee structure.

Montana is spending many thousands of dollars each year to promote tourism. In the areas of the State where there is a heavy infestation of mosquitoes, the tourists get chased off and go down the road quickly because of the unpleasant encounters with swarms of mosquitoes. Also, the local residents continue to complain of discomfort and request more and better mosquito control. Good mosquito control in Counties with irrigated acres is important and sound economics too.

This Bill would provide for a fee on structures. The result will be in allowing the County more funds for larva siting and, in general, do a better job of erradicating before the adult mosquitoes can fly.

Once again, we thank you for listening and we ask the Committee to recommend House Bill 285 to be passed.

6
DATE 2-5-91
-B 65-

Amendments to House Bill No. 65
First Reading Copy

For the Committee on Local Government

Prepared by Bart Campbell
February 2, 1991

1. Title, line 6.
Following: "VEHICLES;"
Insert: "AND"
2. Title, lines 6 through 8.
Strike: "; AND" on line 6 through "DATE" on line 8
3. Page 2, lines 10 through 21.
Strike: subsections (3) and (4) in their entirety
4. Page 3, lines 2 through 7.
Strike: section 3 in its entirety

Amendments to House Bill No. 122
First Reading Copy

Requested by Senator Mike Halligan
For the House Committee on Local Government

Prepared by Bart Campbell
January 22, 1991

1. Title, line 7.

Strike: "FOR INPATIENT HOSPITAL SERVICES"

2. Title, line 9.

Following: "AUTHORITY;"

Insert: "PROVIDING AN APPROPRIATION;"

3. Title, lines 9 and 10.

Following: "7-32-2222" on line 9

Strike: "AND"

Insert: ", "

Following: "53-3-205," on line 10

Insert: "AND 53-3-206,"

4. Page 5, lines 22 and 23.

Strike: ", but only for inpatient hospital services,"

5. Page 6.

Following: line 11

Insert: "Section 3. Section 53-3-206, MCA, is amended to read:

"53-3-206. Eligibility for general relief medical assistance. (1) In order to be considered ~~for eligibility~~ eligible for general relief medical assistance, a person must be found to have a serious medical condition.

(2) Eligibility for general relief medical assistance must be determined as provided in 53-3-205 and this section. A Except as provided in subsection (9), a person with a serious medical condition must apply for general relief medical assistance prior to the provision of medical services or within 90 days of the date the medical service is first provided. Eligibility is determined as of the date medical service is first provided.

(3) All persons who reside in the same residence and are either married to each other or are the parents or children of other persons living in the same residence are considered to be one household for purposes of determining general relief medical assistance.

(4) All individual or household resources must be used to offset medical obligations except those resources excluded in 53-3-205(7) or used to offset nonmedical general relief payments during the same period.

(5) A household is ineligible to receive general relief medical assistance if the household is ineligible for medicaid as a result of overpayment, fraud, or failure or refusal to comply with requirements for continued participation in the medicaid program.

8
2-5-91
285

Amendments to House Bill No. 285
First Reading Copy

For the Committee on Local Government

Prepared by Bart Campbell
February 6, 1991

1. Page 1, line 16.
Following: "district"
Insert: "by one or both of the following methods"

2. Page 1, line 17.
Following: "(a)"
Strike: "by"

3. Page 1, line 20.
Following: "taxes;"
Strike: "or"

4. Page 1, line 21.
Following: "(b)"
Strike: "by"
Following: "collecting"
Strike: "a"
Insert: "an annual"

USE OF REPRESENTATIVES
VISITOR'S REGISTER

BILL NO. 290

n. COMMITTEE

BILL NO. 285

(S) Schuyler

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

	SUPPORT	OPPOSE
ties	✓	
TROOP # 26		
26		
26		
26		
SSOC.	✓	
		✓

REPRESENTING	SUPPORT	OPPOSE
Mt Assn of Counties	✓	
Hamilton B.S.A. Troop		
Cascade Co Mosquito Abatement	✓	
Walesgore Mosquito Dist	✓	
Walesgore Mosquito Dist	✓	
SB Spraying, Helena	✓	
MOSQUITO CONTROL CONTRACTOR		
	✓	

WITNESS STATEMENT FORMS
NY.

WITNESS STATEMENT FORMS
SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Local Govn.

COMMITTEE

BILL NO.

201

DATE 2-5-91

SPONSOR(S)

Cohen

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Bruce SUEWRAM	Hoehward Rural Fire Missoula Rural Fire		✓
Pat Jim	SPS		—
LINDA STOK-ANDERSON	MT Assn. of Counties		✓
A. W. WILCOX	JOHN R. DALEY, JACC		✓
Bert P Stallcup	Hamilton B.S.A. Troop 26		
Eric Paul	↓		
Sacoh Bartley	" "		
DUSTIN Grant	" "		
Jared Amoss	" "		
NEIS PETERSON	" "		
Jim Greene	Rams & MWR		✓
Tim Mellgren	MONTANA WOOD SPECIALTIES		✓
Jim Tillotson	City of Billings	✓	
TOM LEONARD	FIRE CHIEF W. HELENA VALLEY		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.