

MINUTES

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

COMMITTEE ON PROPERTY TAX

Call to Order: By **CHAIRMAN COHEN**, on February 19, 1991, at 8:03 AM

ROLL CALL

Members Present:

Rep. Dan Harrington, Chairman (D)
Rep. Ben Cohen, Vice-Chairman (D)
Rep. Ed Dolezal (D)
Rep. Orval Ellison (R)
Rep. Russell Fagg (R)
Rep. David Hoffman (R)
Rep. Ed McCaffree (D)
Rep. Ted Schye (D)
Rep. Fred Thomas (R)
Rep. Dave Wanzenried (D)

Members Excused:

Rep. Mark O'Keefe

Staff Present: Lee Heiman, Legislative Council
Julia Tonkovich, Committee Secretary

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

DISCUSSION ON HB 441

Stuart Doggett, Montana Manufactured Housing & RV Dealers, explained the amendments, which have deleted the section of the bill requiring county treasurers to notify lienholders; the priority lienholder interest section has also been deleted.
Exhibit 1

Cort Harrington, Montana County Treasurers Association, said the bill also states upon request, the treasurers will notify lienholders whether or not their taxes have been paid.

REP. FAGG asked what information the treasurer needs. **Mr. Harrington** said the bill does not specifically address that. Under current law, to get a moving declaration, you must demonstrate that all taxes have been paid. The treasurers and housing dealers have agreed upon a limit of three years' back taxes; if you repossess a mobile home, you must only pay the

taxes owed during the last three years. In addition, if the treasurer is requested to provide information concerning whether taxes have been paid or not, and does not provide that information, the owner does not have to pay back taxes if the mobile home is repossessed. **Amendment 8** states the treasurer must notify the lienholder after taxes have become delinquent and prior to sale of the motor home. This is current practice in many counties. These amendments have all been placed within one group of statutes.

Questions: None

Motion/Vote: REP. THOMAS moved to recommend amendments to HB 441. Motion carried unanimously.

Motion/Vote: REP. THOMAS moved to recommend HB 441 DO PASS AS AMENDED in committee. Motion passed unanimously.

HEARING ON HB 285

REP. SCHYE said HB 285 was originally in Local Government, and was rereferred to Taxation. County commissioners from several districts asked him to sponsor the bill.

In districts where mosquitoes are a serious problem, financing adequate mosquito control by mill levy is difficult. HB 285 will change the financial source of mosquito control districts. There are about 38 mosquito districts in the state, mostly on the Hi-Line. These districts are set up in a manner similar to fire districts, and don't need to encompass an entire county. The mosquito district usually covers a city and the land surrounding it. Because the price of chemicals and equipment keeps rising, funds raised by mill levies are no longer sufficient. The public is willing to pay more for mosquito control, but at present there is no mechanism to allow them to do so. HB 285 would create one.

REP. SCHYE discussed amendments. On line 20, "or" was amended to "and/or." On page 2, line 6, "or" was also amended to "and/or;" thus both the fee system and the tax may be used.

Doug Johnson, Cascade County Weed and Mosquito Management District, said out of the 38 districts, 11 levy the full 5 mills; of those 11, only 3 bring in more than \$25,000 via mill levy. I requested that countywide districts be able to impose either a fee or a mill levy, but not both. The mill levy is restricted by I-105. He was unsure whether the fee would be excluded from that initiative.

REP. COHEN asked who would impose the fee. REP. SCHYE replied the county commissioners would impose both the mill and the fee.

REP. WANZENRIED asked how difficult it would be to impose the fee. Mr. Johnson replied the mosquito districts aren't planning to change their structures. The county assessor has the necessary information to determine the fees per structure.

REP. THOMAS questioned the \$75 commercial establishment fee, which would probably be picked up by mainstream businesses. Since most of these buildings are surrounded by asphalt lots, would they have such a severe mosquito problem? Why should businesses pay more than residential areas? REP. SCHYE replied mosquitos breed anywhere, regardless of asphalt. Commercial establishments brought the fee idea to the county commissioners; the mill system would cost them more than the fee system. REP. THOMAS said the bill states mills and/or fees can be used; therefore, as it stands, businesses wouldn't necessarily be getting what they asked for. REP. SCHYE agreed. The county commissioner can make the decision whether to levy mills, or impose a fee, or both.

Mr. Johnson said several districts had cash reserves, and had lowered their mill levy to get rid of these reserves. Some districts have been caught with artificially low mill levies, and their mosquito control programs have been decimated. Even if these districts can levy 5 mills, they cannot raise enough money to pay for adequate control.

REP. SCHYE said in some areas, especially on the Hi-Line and in heavily irrigated districts, mosquitoes are a serious problem, not merely an inconvenience. The state is currently experimenting with lower-impact pesticides, which are environmentally safer but need to be applied twice as often. There aren't enough funds for multiple applications. After transmittal, the second reading copy with amendments will have been prepared.

NO ACTION TAKEN.

ADJOURNMENT

Adjournment: 8:36 AM


BEN COHEN, Chair


JULIA TONKOVICH, Secretary

BC/jmt

HOUSE OF REPRESENTATIVES
PROPERTY TAX SUBCOMMITTEE

ROLL CALL

DATE

02/19/91

NAME	PRESENT	ABSENT	EXCUSED
REP. BEN COHEN, VICE-CHAIR	X		
REP. ED DOLEZAL	X		
REP. ORVAL ELLISON	X		
REP. RUSSELL FAGG	X		
REP. DAVID HOFFMAN	X		
REP. ED MCCAFFREE	X		
REP. MARK O'KEEFE			X
REP. TED SCHYE	X		
REP. FRED THOMAS	X		
REP. DAVE WANZENRIED	X		
REP. DAN HARRINGTON, CHAIRMAN			

