

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By REP. BOB BACHINI, CHAIRMAN, on March 13, 1991,
at 7:00 A.M.

ROLL CALL

Members Present:

Bob Bachini, Chairman (D)
Sheila Rice, Vice-Chair (D)
Joe Barnett (R)
Steve Benedict (R)
Brent Cromley (D)
Tim Dowell (D)
Alvin Ellis, Jr. (R)
Stella Jean Hansen (D)
H.S. "Sonny" Hanson (R)
Tom Kilpatrick (D)
Dick Knox (R)
Don Larson (D)
Scott McCulloch (D)
Bob Pavlovich (D)
John Scott (D)
Don Steppler (D)
Rolph Tunby (R)
Norm Wallin (R)

Staff Present: Paul Verdon, Legislative Council
Jo Lahti, Committee Secretary

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

Announcements/Discussion: Hearings on HB 905, SB 323, and SB
433. Executive Action on HB 433, SB 323, SB 232, SB 53.

HEARING ON HB 905

Presentation and Opening Statement by Sponsor:

REP. BRADLEY, HD 79, Bozeman, MT informed the Committee that HB 905 has become known as the BANC bill (Building A New Century). HB 905 authorizes coal severance tax proceeds which would otherwise be deposited in the Coal Severance Tax Permanent Trust Fund to be deposited in the "Building a New Century Fund" within the Trust Fund; authorizes new projects to be funded through the issuance of coal severance tax bonds, provides for the funding of improvement projects for state government and university system

facilities; provides for loans to local governments for infrastructure projects; provides for improvement projects for state parks and recreation areas; amends several sections of Chapters 17 and 85, MCA; and provides for effective and termination dates. This Legislature should consider whether it is time to do something very innovative with the last special stream of revenue Montana has, the Coal Tax Trust Fund revenue. It is time to set the stage for progress in the second century. She suggested an amendment eliminating Sections 14 through 20 which deal with an alternative scheme. **EXHIBIT 1.**

HB 905 has two different concepts, the first is a loan, and the second is a grant concept. The first deals with local government infrastructure and local government assistance for economic development Montana cities and counties would like to pursue and put in place. That would be dealt with as a loan concept as opposed to outright grants. The second is a grants program that would put the money into worthwhile projects of statewide significance. She suggested in terms of need and creativity that it be limited to state parks and state buildings. **EXHIBIT 2** is a chart showing a simplified concept of how the loan scheme would work. It compares HB 795 and HB 905 which are both loan schemes. There is about \$60 million available to work with. The plan is similar to the highly successful water development project that has been in place for almost a decade. Coal severance tax bonds are sold, the proceeds from which go to the bond fund to finance water development and an expanded program.

HB 905 talks about low and no interest, whatever is desirable. Those dollars provide the guarantee. The money can be borrowed cheaply; there have been no defaults. New Section. Section 2 sets out what HB 905 intends to accomplish. Governments, school districts, conservation districts, special purpose districts, non-profit entities, expanded projects, basic local infrastructure projects such as water, sewer and waste, are now all eligible entities. Responsible projects for transportation, telecommunications, public works, technology, could all come in and compete. The Department of Commerce (DOC) will prioritize requests. Since they are loans, they will have to be repaid over a 20-year period. They will be examined as a state to see if there is merit and put on a priority list to see what kind of subsidy the interest rate should have.

After DOC prioritization, the project would go to the Governor who would try to mesh the water development priorities with local infrastructure priorities, and submit a final list of recommendations to the Legislature. A 3/4 vote of both houses would be required, as it is with the water development projects.

The second part of HB 905 deals with grants. **EXHIBIT 3.** The Department of Administration would handle any long-range building projects. Fish, Wildlife and Parks would handle a state parks program which is specifically limited to five years and \$20 million, \$4 million a year.

A very practical use for part of the grants would be for state buildings. There are 3,046 state buildings on inventory valued at \$1.4 billion. Usually 1.5%-3% of the current replacement value is spent on maintenance, but in the past 8 years less than one-quarter of 1% of the current replacement value has been spent on maintenance. State buildings are falling apart and it is becoming a crisis situation. **EXHIBIT 4.**

Montana has more state park sites than any other state. They should be polished up and put on display and advertised, but not sold.

She asked the Committee to include any other projects they might consider to be of major state significance. This is an opportunity to do something very interesting, very progressive for Montana for the second century.

Proponents' Testimony:

Ed Zaidlicz, Chairman, Montana State Parks Future Committee, Billings, MT, supports HB 905. **EXHIBIT 5.** Montana's parks are a significant part of Montana's tourism industry, and should be kept in first class condition. The problem is inadequate funding and personnel. The committee completed a 51-page report after months of deliberation and public fact finding which showed the condition of state parks and presented recommendations. It was sent to the Governor, members of the F&G Commission and the Legislators.

Mr. Zaidlicz had to leave, so the Committee was permitted to ask questions from him at this time.

Questions from the Committee:

REP. ELLIS asked **Mr. Zaidlicz** to explain what amount of money is spent by the Department of Fish, Wildlife and Parks (FWP) that goes toward acquisition and how much is spent on maintenance of the properties for which they are responsible? **Mr. Zaidlicz** said he did not have that information at this time.

REP. SHEILA RICE asked if, in his opinion, the Governor's budget or any other bill in this Legislature addresses the state parks future report other than **REP. BRADLEY's** bill? **Mr. Zaidlicz** stated they were very gratified by the Governor's response to their presentation and report. One of the sources of funding should be the general fund. Their first choice was to restore funding from the general fund at a level that matches user fee collection, which was about \$859,000-\$900,000 dollars. A second choice was restoration from the general fund as it was back in 1985 which amounted to \$625,000. The Governor struck a balance between the two and suggested \$750,000 dollars a year be made available from the general fund for state parks. It was felt this was very fair.

REP. WALLIN asked if the Committee visited all 60 parks. Mr. Zaidlicz said they visited 20 of the more significant ones. REP. WALLIN commented there were over 40 parks that you did not visit and your report was on one-third of the parks. Mr. Zaidlicz explained that plus interviewing a large number of people, they obtained testimony from 16 public meetings and statewide newspaper surveys. Their report is indicative of the general condition of all Montana state parks. It would not be reasonable to try to develop all 60 parks. A plan should be developed carefully analyzing the potentials of each park before making a decision. Some probably would be dropped. It was his understanding that Montana has more state parks than any state in the union, and the smallest acreage assigned to each park other than North Dakota.

REP. WALLIN advised there is only one park that pays its own way now, and that is Lewis & Clark. Recently 1,000 acres of land was accepted by FWP when what they already have cannot be cared for. Why accept more land? Mr. Zaidlicz said there are some tremendous chances out there and some dogs. Some of them may have to be put on hold until they can be developed. The whole park system will have to be accepted. REP. WALLIN thought some of them should be gotten rid of. There are too many, and some should be given away or sold. Mr. Zaidlicz suggested a partnership concept with other entities could be developed. There are three federal agencies involved and two or three state agencies. There are tribal lands that could share responsibility for a site for the good of all of Montana.

Proponents' Testimony:

SEN. MIGNON WATERMAN spoke in favor of this bill. It is a refreshing look at an important issue. There is broad based support for this proposal and a lot of community building has already gone into this proposal. REP. BRADLEY has worked with a number of groups on this proposal for a long time and it reflects what has happened in putting HB 905 together and what this bill represents. If indeed our children are going to have something to take to the bank in the next century, it will be because we've worked together cooperatively to solve some of the serious long-range problems facing the state.

Margaret Kochman, Great Falls, Mt. is a member of the State Parks Future Committee, the Heritage Park Board and Chairman of the Cascade County Park Board. EXHIBIT 6. Montana needs a park system at least equal to what neighboring states and provinces now offer. Montana ranks 48th in the United States in spending per visitor. She urged support for HB 905.

Ken Dunham represents the Montana Contractor's Association which is a trade association composed of commercial builders, highway contractors, heavy and industrial equipment contractors and a number of specialty contractors. Last year their National Association put together a detailed report "Montana

Infrastructure Facts" showing needs in a variety of areas.

EXHIBIT 7.

Joe Schwab, resident of Bozeman, MT., a member of the **Montana Legacy Legislature**, in their last session, introduced a bill that would call for providing \$2 million a year for the next five years from the Coal Tax Fund for improvements to the state park system. This bill was passed and prioritized by the Legacy Legislature because it is felt there was a critical need to shore up, maintain and improve a state park system that is literally falling apart at the seams and is sorely in need of assistance. When we became aware that only one other state, Wisconsin, has more parks than Montana's 60, and that Montana ranks 49th in the amount of funding provided, they wanted to take a closer look. When they realized that visitors to Montana state parks were more often than not greeted by graveled or pothole roads, no water, overflowing garbage cans, stinky outdoor toilets, no protection, etc., they were determined to do something about it. It was concluded that if out-of-state visitors spent an average of \$135 per day per family while visiting here, if they stayed an extra day or two by providing hot and cold running water and flush toilets and RV dump stations here and there, it would be practical, prudent and sound financial investment. In fact, that translates to \$7 million dollars annually to the State's economy in spending outside our parks.

Only one of our state parks operates at a profit and 59 operate at a loss. Lewis and Clark Caverns operates at a profit. It has a visitor center, hot and cold running water and flush toilets. Yet as we know, it lacks the means to protect itself from vandalism. The problem with his bill is that it does not provide a method of implementation, prioritizing, budgeting or managing and HB 905 addresses those matters, and is the answer to their prayers. He withdrew his bill from further consideration in favor of this one.

Mr. Schwab made the following suggestions. I have what amounts to a standing committee of about 60 senior legislators representing every nook and cranny of Montana and between us we can raise a staff of volunteer workers that you wouldn't believe. You give us trash bags and we will fill them. You give us a paved parking lot and a couple of brooms and we'll sweep them. You give us a comfort station and we'll keep it clean. We are willing to do this because of our desire to leave a legacy for the next generation of Montanans that is at least as good and, hopefully, a whole lot better than the one left to us by a former generation. Let me remind you why the state park system was established in 1929. The Montana state park system was created for the purpose of conserving the scenic, historic, archaeologic, scientific and recreational resources of the state, providing for their use and enjoyment, thereby contributing to the cultural, recreational and economic life of the people and their health. Much has been done since 1929. Sadly it is now being eroded away. We are in danger of losing it. Don't let this happen please."

Tony Schoonen, representing **Montana Wildlife Federation**, the largest conservation organization in Montana, said the state parks deserve adequate funding, adequate maintenance. They like the funding idea which uses money other than just what comes from recreational users. **EXHIBIT 8.**

Kay Foster represents the **Billings Chamber of Commerce**, is a **Past President of the League of Cities**, and also represents the **League** who are in support of HB 905. She felt a lot had been heard about the park portion of this bill. They do prefer grants. Both the League of Cities and the Billings area Chamber hope HB 905 will be passed.

David Toppen, **Chief Academic Officer and Deputy Commissioner of Higher Education System, Montana University System**, said the title of the bill mentions the University System. Officials from the University System have gone around the capitol and the state complaining about the degrading structure of the buildings on the campuses throughout the University System. In a much larger sense, he talked about the overall impact of HB 905 of which the University System is only a part, a critical part, but only a part of the overall state structure. While the University System provides an educational, cultural component to the overall state entity, indeed its health survival is dependent upon a great number of facets and attributes, many of which have been heard about today. The ability to provide educational programs and to provide jobs is indeed dependent upon a healthy state infrastructure. Just as education is critical for a healthy economy, a stable infrastructure is critical for our educational systems.

Jim Smith, **Montana Residential Child Care Association**, said the most important thing this Legislature could do to help children suffering from abuse and neglect, or families in distress, is to get this economy moving again. HB 905 will help Montana's economy to get going again so the kinds of problems they deal with in the basement will diminish. This bill is the way to do that.

Gordon Morris, **Montana Association of Counties**, spoke in support of HB 905. He said, "We can no longer continue to squander our future and our children's future."

Don Judge, **Montana State AFL-CIO**, was today representing **Gene Fenderson**, **Montana State Building and Construction Trades Council**. They are in support of this bill, and are also supporting **REP. HARPER'S** bill. Both of these bills offer something that the Big Sky Dividend did not which is the statutory and constitutional 3/4 vote required to allocate those monies out of the Coal Severance Permanent Tax Fund. If this Legislature uses that 3/4 vote to provide money primarily for bonding purposes, not for grants or loans, it creates a strong incentive for economic development by rebuilding the infrastructure in this State. Obviously, it creates jobs for workers in Montana and they appreciate that. The bill has a great

deal of merit and the ability to provide grants is tempered by the fact that it takes a 3/4 vote to do that.

Buck Boles, President of the Montana Chamber of Commerce, supported the program to provide for funding of water projects several years ago; they want to stay consistent and support utilizing the Coal Trust Fund for purposes outlined here. There are some questions about the bonding authority and how it will work. They are also supporting the idea of the Big Sky Dividend as well as these pieces of legislation of **REP. HARPER'S** and **REP. BRADLEY'S**. "You may wonder about **Don Judge** and myself supporting the same piece of legislation. It may be the influence of the sponsor, it may be a new approach by the business community on organized labor, or maybe the value of the bill. I'll let you decide."

Dan Kemmis, Mayor, Missoula, submitted written testimony.
EXHIBIT 8A.

Informational Testimony:

Mark Semmons, Vice President of Investment Banking for D.A. Davidson, Helena, MT, spoke about the local government loan portion of HB 905. They have provided infrastructure financing for 52 of the State's 56 counties, 108 cities and towns, most of the schools in the State and many state agencies. They have also worked actively on the Coal Severance Tax Water Development Bond Program. They do support the overall intent of HB 905 and the intentions of **REP. BRADLEY**, also the recognition of the real need out there to provide financial assistance for infrastructure funding throughout Montana. Comments are limited to what they feel the Committee should be aware of. Their testimony should be considered informational in nature.

In regard to local government programs, this in essence is an expansion on the Coal Severance Tax Water and Development Loan Program. That program has two aspects to it. One is capital availability. It is a source of financing which local governments can get a loan from to finance infrastructure improvements. The second is capital affordability. That is the notion of a below market interest rate loan where it is appropriate. In the case of the Water Development Program it is primarily for a limited term of five years, or it may be extended to some for a longer term. The two are distinctive.

First of all, it is capital availability where we are dealing with a very broad spectrum of infrastructure needs in Montana. We are dealing with those who are able and willing to borrow in order to fund improvements. Unfortunately, there are a great number of local governments which simply are unable to incur the staggering costs that are involved to repair or make improvements because of their taxing abilities or their ability to raise user fees to such that they are unable to borrow. The Water Development Program is primarily focused on local governments'

ability to repay the obligations over time. The intentions of this bill are the same.

With regard to the local governments that are able to repay the indebtedness, Montana local governments have what has been described internally as sources outside of the state as very good access to capital. They do so in the following ways: (1) in the form of selling bonds in private capital markets; (2) with the Water Development program that is currently in place; (3) with the state revolving program this Legislature authorized last session, which is for sewer or wastewater treatment projects; and (4) through Farmers Home Administration. You have a myriad of financing sources available if the figure of \$60 million is available for funding for this type of program. It is purely a guess, but perhaps you would find as much as \$45 to \$50 million that local governments very possibly would be able to borrow on their own through other means, like selling bonds to the private capital markets, through accessing Farmers Home Administration programs, state revolving funds, etc. This committee should very seriously consider the state issuing bonds and indebting itself over very long periods of time for the limited capital availability for projects that have access to capital through other sources. It is a very limited and valuable source you are dealing with, some \$10 to \$15 million dollars is remaining under that program. You should recognize you could be taking it away from other projects that could use it. You are dealing with a very limited resource. We strongly urge you to approve some sort of program this session to assist local governments, but do so in a manner that provides the financial benefits and incentives that make it affordable to do so in a manner that minimizes the use of state indebtedness to a level that is truly needed. It is truly a somewhat inflexible contract for 20 years. It is not only binding on this Legislature, but on others. The efforts to provide capital affordability, which in turn provides incentive to those that have the ability to repay and bring some others into the area of affordability, is feasible.

Ann M. Miller, Department of Natural Resources and Conservation,
submitted written testimony. **EXHIBIT 9.**

Questions from Committee Members:

REP. LARSON asked **REP. BRADLEY** if there was any possibility of a conflict between HB 272 and HB 905. He asked if she had a problem with **Mr. Semmons'** suggestion that local governments be screened to see if other dollars are available from other sources and if she would support an amendment to that effect. **REP. BRADLEY** said **Mr. Semmons** was talking about two issues, capital availability and capital affordability. It seems **Mr. Semmons** is saying that some of the governments can't borrow at all because they do not have the ability to repay indebtedness by present means, and if that is what we want them to have we should look carefully at the local option taxes that are coming before the Legislature. If that is really their problem, the best way to

resolve that is to let them raise money as West Yellowstone has done through a tourism sales tax. They have totally revived that small community by instituting by their own vote and their own design that local option. They are doing extremely well.

REP. BRADLEY said it should not necessarily all be done by state grants. If a grant is allowed for a community that has absolutely no ability to do it itself under any circumstances with a subsidized loan or a no interest loan over a 20-year period of time, there is a question about what the state is hanging around its own neck. The second type of community, those who can do it so well themselves, don't need the state. That is an interesting comparison. Either you need a grant or you can do it so well, you don't need the state. The state somewhere in there has a role. If you look at the Sub-committee on Long-Range Planning and what they have approved, it should be clear that there is a demand out there for this kind of thing. They have reauthorized loans in about 15 communities for \$26.7 million. They are waiting to see how the projects work out. They also approved \$8.2 million for 5 communities but some of them may not go. The record this Legislative Session shows that communities like this system and they are using it.

REP. LARSON stated some of the figures he saw before the session indicated there were a lot more than just \$12-\$30 million worth of public health safety projects out there in the state that needed to be addressed. There is a report indicating there were a lot of communities that didn't have problems with loans. They needed hard money before they could get into loans. Could you address some of the loans that are available and what the problems some of those cities have that makes it impossible for them to get into the loan program without grant money or hard money first? Will there be competition between the rural and urban areas for this money? When the water program on one side and the local government on the other are coordinated with the Governor and it is run through the Legislature, that is very satisfactory.

Newell Anderson, Department of Commerce, advised that in 1984 the Governor had a task force on infrastructure to review 37 different types of infrastructures, from community centers to bridges, to jails, highways and roads, to other things. At that time, with a fairly extensive inventory, the committee came up with the definition that there was \$8 million worth of deteriorating infrastructure that needed some type of immediate attention. One has to assume that as a result of the passage of the last 6 years, that figure is now larger. The trouble with that figure is that it becomes overwhelming. It becomes easy to walk away from. One easily says we can't deal with \$8 million dollars, so let's go on to the next issue. This is going on all over the country with reference to infrastructure. In regard to the issue of loans and grants and programs that are available, the DOC has run the Community Development Block Grant program for the last 8 years. In those last 8 years, some \$55 million worth

of grants has been allocated to local governments across Montana. Of those \$55 million dollars, about 60% to 65% of them have been for infrastructure assistance. We have come to find over the last 7 years that the issue of affordability to local governments is mostly conceived as being for small local governments, but it is very real in some cases that larger local governments are in need. The issue of affordability is the critical mass. Ten years ago you ought to have been able to put together a sewer system with one source of funding, whether it was Farmers Home or a local bond issue or whatever. Today, to be the Public Works Director for a sewer project you have to be almost an investment banker. You have to combine a number of sources of funds. You have to hustle in every corner you can to find the kinds of funds you need.

Their experience over the last 8 years has not shown a declining or a lacking of availability of loan funds, but it has shown a declining and lacking of availability in grant funds. The grant funds are the critical mass. The second highest critical mass in affordability is the subsidized loan, where you can get something less than the traditional market rates.

Referring to the issue of can people afford today to do what they need to do is becoming increasingly more problematic. Why this is more so today than it was 5 or 10 years ago is because a good deal of our infrastructure in this state and in this country was built either during the WPA period or the post World War II period. Those pieces of infrastructure have been in the ground now for anywhere from 50 to 70 years and they are deteriorating. They aren't going to last much longer. To the issue of grants, loans and cash availability, it is becoming a very sophisticated process to put the package together to make the infrastructure repair available.

REP. SONNY HANSON said on page 12, line 7, it talks about not more than \$250 million worth of coal severance tax. How much has been issued to date? What is left? **REP. BRADLEY** answered the bond capacity balance is \$112 million, outstanding bonds are \$55 million, the balance therefore is \$57 million. If you take what the Sub-committee has done to date, \$27 million for reauthorized loans, new loans are \$8 million, another \$10 million estimated for the Tongue River Dam, and subtract all of that from the balance, there is about \$12 million available. One of the items that has been financed in the package is the Broadwater Dam. That absorbed a lot of capacity. The Broadwater Dam is now in a situation where it is making money and it would be right for the bonds to be reauthorized and turned over to revenue bonds. If that happened, that would free up \$22 million more for bonding capacity.

The other possibility of refinancing the others, although there is no guarantee this would work, but authorities don't seem to find a flaw in it, if you move from the 2 times test to the 1.5 test you might not get as good a deal in the selling of the

bonds, but it is clear, even with the decrease of the coal tax revenue, by reauthorizing, another \$30 million could be freed up, and along with the \$22 million, the \$60 million could cover it.

REP. PAVLOVICH asked if a 3/4 vote is needed to get these bonds.

REP. BRADLEY answered this bill needs a 51% vote. HB 905 is totally a shell, a procedure. The concepts would be put in place over the next two years. The only thing to be paid for is to help the departments do their prioritization. For all the loan projects and grant projects, two years from now you would need the 3/4 vote at which time we will have a better idea of where we are on all of these loans and some of the dollars again; more of them may be freed up from projects that have been reauthorized that are never going to move forward. **REP. PAVLOVICH** had introduced a bill last session for the cities and towns and was getting the money from the Coal Board with matching funds from the government. **REP. BRADLEY** thought that would coordinate very well, but HB 905 has not been designed with that in mind.

REP. PAVLOVICH asked if that would fall into this at all. **Alec Hansen, League of Cities and Towns**, said there are some federal matching programs left, but each day that goes by in Washington they become more scarce. The availability of federal money and the lack of it is one reason some type of program like this is so essential. You used to be able to get grant funds for sewer projects from a revolving loan system. What was available through the federal government two years ago has probably diminished considerably since that time. There are some matching funds out there. Percentage matches are much higher, particularly in the areas of environmental clean up and these types of projects.

REP. BACHINI asked if Section 1, New Section, Section 1, Building a New Century Fund -- Statutory Appropriation should be stricken since nothing in that section refers to a statutory appropriation. **REP. BRADLEY** would ask the drafter for what reason it was put in there.

REP. WALLIN asked if, on a matching basis with the federal government, it makes any difference whether it is a grant that is given or a loan? **REP. BRADLEY** advised this loan does not require a match. The Big Sky Dividend looked like a match was required for those dollars. One of the priorities to be considered might be whether other revenues are available. If someone comes in with a project where they get a 2/3 match and someone comes in where they have none at all, the Department would give the higher priority to the one who had the very helpful match in order to save dollars for other projects. **REP. WALLIN** said \$20 million dollars might buy \$80-\$100 million depending on the use of that money because they were grant monies. If you use \$20 million in loans out there, what is the amount of federal money those loans would generate? **REP. BRADLEY** was not sure of the technical details of how they arrived at the federal dollars availability for match or grants. If those dollars were available for matches

of grants, those same dollars should be available for loans. They are for the same kind of projects except they are not for bridges and schools, and these go further on the kind of things brought in on proposals.

REP. WALLIN assumed that whatever funds would be available the DOC would participate. **Mr. Anderson** said the DOC would participate in up to 50% of the projects. That makes it much easier for that program to multiply the other kinds of funds, because it is a defined participation. This could be a small or large participation. The same things would be eligible for the same programs.

REP. CROMLEY said on page 5, there is an order of priority. How important is it to have them set out in an order of priority as opposed to just having a general list of criteria to be considered? **REP. BRADLEY** wouldn't mind amendments in regard to that. She said the Committee should be free to move that language around.

REP. ELLIS said Red Lodge recently tried to pass a sewer district improvement bond and there were some federal funds involved in that. Was there any community block grant monies involved in that also? **Newell Anderson** said there was not in that case.

Those funds were EPA money that recently participated in that.

REP. ELLIS said Red Lodge has been mandated by the state of Montana to clean up its act in the sewer area because they don't have storm sewers and when they get a bad storm in the lower end of town, it can flood with sewage. They recently tried twice to get federal matching money and it has failed both times. They are one of the communities that has the community option available to it. How are those kind of problems to be addressed when those people don't want to reach in their pockets to do that? **REP. BRADLEY** suggested trying to come up with some kind of compromise. If they could be offered a 20-year no-interest loan and they could come through with a local option of some sort that would help reimburse it, then we have done our share. We could have helped them by giving them no interest for 20 years. I think that is a very acceptable partnership for the state to make. **REP. ELLIS** asked who determines what the interest rate is going to be and why would any community who could get a zero interest rate want to pay any interest at all? **REP. BRADLEY** explained when the Department helps they analyze the total cost of the project, what kind of interest a community can afford and repayment possibilities. The list of projects now varies from about 5% up to about 8%. **REP. ELLIS** asked how in the past ten years have our basic industries dropped their return by 23% down to \$8.6 million? How do we justify continuing to take such a large share of our tax money and putting it out of reach of this state to do things for themselves? **REP. BRADLEY** said it is time to look at innovative ways, not to put it out of reach but to be objective.

REP. BENEDICT stated most of the testimony seemed to focus around

state parks. The bill sponsor does not intend this to be a state park funding bill. There is a need out there for clean drinking water for communities, for sewage treatment facilities, etc. Does the League of Cities and Towns feel that the loan money will help them or would hard dollars help them more than loans? **Alec Hansen** said if someone came to me and said I will give you \$10.00, that would be the best possible option. The second best option is I'll loan you \$10.00 and you don't have to pay me any interest. The third would be I'll loan you the \$10.00 and when you pay me back I want \$12.00. They support **REP. BRADLEY's** bill because low interest or no interest loans will definitely help the cities and towns finance some of the projects that desperately need doing. They also supported the Big Sky Dividend Program as originally proposed because it did provide for grants. Grants are also critically important because a lot of cities and towns out there are in desperate financial situations. There may be water or sewer projects and other types of improvements that will be extremely difficult to finance. In Montana it is a problem of demographics. In some places there is an extremely small population base. There are not enough consumers on municipal water or sewer systems to finance some of the mandates that will be coming down from Washington. Obviously, getting that interest cost down will help significantly. A direct cash grant would probably do more good, but low interest or none would be extremely beneficial.

Closing by Sponsor:

REP. BRADLEY explained some technical information. The determination reached on what the rate of interest should be is generally a calculation of the household income of a community and the user rates. Then a determination is made as to what kind of subsidy is appropriate. There is a whole range of things. The \$20 million dollars limited to over a 5-year period only takes care of the very top priority parks. If all the parks were included in the same kind of improvement scheme, it would probably be more like \$60 million. This is just a beginning. I wanted it to be something that had a beginning and an end, and not go on forever as a stream of revenue because it is for something specific and that is capital improvements. The state, as far as economic development goes, should not use this as a panacea. There seems to be an idea that grants are either good or bad and loans are good or bad and there is no middle ground. There are positive benefits to some and shortcomings to both. There is only \$60 million to work with. It doesn't break it down to black or white, urban or rural, you can look at the grants that have been authorized for the water development projects; there are small communities throughout. They are highly represented there. Montana cares about all of its communities, not just its big cities. She welcomed suggestions from the Committee and the Sub-committee. There is room for more innovation and creativity.

Presentation and Opening statement by Sponsor:

SEN. TOM BECK, SD 24, Deer Lodge, introduced SB 323 at the request of the Department of Justice, which, among other things, amends several Sections of Chapter 61.

Proponents' Testimony:

Daryll E. (Bud) Schoen, Chief Registrar's Bureau, Motor Vehicle Division, Department of Justice, said SB 323 will license certain automobile dealers, clean up language, clarify RV dealer license plates, up the amount of bond required from \$5,000 to \$25,000, and a number of other things. **EXHIBIT 10.**

Stuart Doggett, Montana Manufactured Housing and RV Association, supports this bill. It is a good clean up bill to clarify the assignment of RV dealer plates. The portion to increase bonding seems very reasonable.

Steve Turkiewicz, Montana Auto Dealers Association, supports this legislation. The changes in the licensing provisions are needed to provide a good quality product. The auto auction people sell up to 1,000 cars, and they support this type of regulatory action. These are things that are needed by our industry.

Questions by Committee Members:

REP. STELLA JEAN HANSEN asked how does an out-of-state buyer figure into this? Do they just get the 72-hour permit? **Mr. Schoen** said the \$25,000 bond applies only to those who wish to become licensed as dealers or auto auctions in the state of Montana. She asked if a buyer had a dealership out of state, how would he get to the auction? **Mr. Schoen** said the 72-hour permit is for the out-of-state dealer to at least allow them to travel through the state.

REP. WALLIN asked what would be required of him if he wanted to have an auction? **Mr. Schoen** explained if you are a licensed dealer and you want to dispose of your inventory, you can hold an auction on your premises or even off premises. You would not be required to obtain an auction license.

REP. BENEDICT said the Senate left this bill intact except for some language on page 8, line 19, which has to do with the collection of the bond. What exactly did they do there? It looks like the original language required getting a judgment from the court prior to collecting on the bond from the Department. **Mr. Schoen** said the Justice Department still has the bond and would pay on the total amount of the bond. There is no reason the state should not require more than a \$5,000 bond to be posted.

REP. MCCULLOCH asked how many wholesalers are in the state? **Mr. Schoen** said they estimate roughly 300; about 200 are licensed and about 150 are not legal. This bill has been discussed with

licensed and auto auction dealers.

REP. BACHINI stated last session a bill was passed where an individual could sell so many cars. Does this interfere with that bill passed last session? It did have a max in there, didn't it? **Mr. Schoen** said the only max he was aware of is if a used car dealer sells more than five vehicles they do not have to prepay that \$300 application fee to get a permit.

REP. BACHINI thought the change on Page 11, line 24, would require new applicants to pay the \$300 and a license fee of \$30 if he has not sold more than five used cars. You have just stated he has to pay the \$300 again. How did you come up with that? **Mr. Schoen** said the only reason they used five is because it was in the existing law for wholesalers. The purchase fee of \$300 at the time of purchasing the dealers license is to prevent the dealer from selling without a license. It was set at \$300 to recover taxes. If he sold less than five, he would have to pay the \$300 again.

REP. TUNBY asked what the fee for a retail license was. **Mr. Schoen** replied at the present time it is \$25 plus a \$5 fee. **REP. TUNBY** said on Page 23, lines 17 through 19, referring to auto auctions, there is a \$500 fee and renewal fee of \$100. What have they done previous to this? **Mr. Schoen** advised previous to this a used car dealer could pay \$25 plus the \$5 fee for selling only used vehicles, not new vehicles, sold to retail companies. This bill would allow them to sell any type of vehicle, new or used. They have agreed with the \$300 license. The difference is \$30 in the present law and \$500 in this.

REP. ELLIS asked if everyone who sells five vehicles or more has to be licensed then? How about other equipment such as trucks, etc.? Are they licensed under this bill also? **Mr. Schoen** said yes, they would be. One vehicle can be sold without a license.

REP. SCOTT asked how do you enforce a wholesaler selling to an individual and not a dealer? **Mr. Schoen** explained when the paperwork comes through his office at the Registrar's Bureau, there must be a chain of ownership. They know who is licensed and not licensed. If they come across an open title under this bill a citation could be issued to the seller of the car. That is built into this bill.

REP. McCULLOCH asked if this would prevent a person from buying a car from a wholesaler. **Mr. Schoen** said a wholesaler should not sell wholesale to an individual. It could be bought from him but he is not supposed to sell to you. He would be in violation. You would be in violation if you bought at wholesale price.

Closing statement by Sponsor:

SEN. BECK closed saying this has had a good hearing, and this is a good bill. It might put a little money in the general fund.

HEARING ON SB 433

Opening statement by Sponsor:

SEN. TOM BECK, SD 24, Deer Lodge, explained that there is a current statute that provides protection against coercion by manufacturers of motor vehicles. This bill will prohibit the use of coercion to obtain new motor vehicle dealers' participation in advertising campaigns or sales promotions; and amending Section 61-4-208, MCA. There has been a problem with manufacturer dealers requiring wholesale dealers to get involved in national advertising campaigns and contribute to contests and give-a-way programs. They should not be forced into paying for this type of forced advertising.

Proponents' Testimony:

Steve Turkiewicz, Executive Vice President, Montana Auto Dealers Association, explained the Association is under control of its member dealers and participation and contribution was at the discretion of each dealer, and they were charged with any advertising promotion schemes the dealers demanded. EXHIBIT 11.

Closing by Sponsor:

SEN. BECK said this is a good bill and asked for concurrence.

EXECUTIVE ACTION ON SB 433

Motion/Vote: REP. PAVLOVICH moved SB 433 BE CONCURRED IN. Motion carried unanimously, with REP. SHEILA RICE absent.

EXECUTIVE ACTION ON SB 323

Motion: REP. WALLIN moved SB 323 BE CONCURRED IN.

Discussion:

REP. SCOTT really doesn't think this is relative to the idea of open titles. The last person to sign it was the first owner of the car. They will never be able to figure that out. He doesn't like the increase in the bond requirement. It is pretty extreme.

REP. WALLIN said an open title is presently against the law. A \$25,000 value for a car is not unusual; \$5,000 is ridiculously low. If a title cannot be provided, a \$25,000 bond would not be out of line with present auto values.

Vote: Motion SB 323 BE CONCURRED IN CARRIED, with REPS. SCOTT and DOWELL voting No.

REP. BACHINI said HB 905 bill will be put into a sub-committee on

economic development.

EXECUTIVE ACTION ON SB 232

REP. BACHINI announced there are two amendments for SB 232. One requested by the Department of Health and the other requested by **Mr. Funk** of the Department of Justice. **EXHIBIT 12.**

Motion: **REP. LARSON** moved SB 232 BE CONCURRED IN. **REP. SCOTT** moved SB 232 be amended. **EXHIBIT 12.**

Mr. Funk explained the amendments. The first amendment on lines 13 and 14 strikes the language to require a salvage certificate for all junk dealers. The folks that are involved with the salvage industry in Montana are very concerned to start this process. This bill would make them do exactly what that sentence says to get a salvage certificate for everything in their inventory, and because the salvage certificates cost \$5.00 each that is a pretty severe financial implication for those folks. It has never been the intent to do that. That is the purpose of amendment #1.

Amendment #2 strikes language on Page 12, lines 21 and 22. That language conflicts with a sentence on Page 9. "Prior to disposing of the salvage vehicle, the salvage vehicle purchaser shall flag salvage certificate". The sentence to be stricken says you can't repossess one of these vehicles without getting a salvage certificate. That isn't bad. It has the same meaning that the sentence in the title does. You cannot even possess one of these vehicles without a salvage certificate. On Page 9 it explains you can possess one of these vehicles, you just can't sell it without getting a salvage certificate. This clarifies again things for the salvage vehicle. As long as it remains in the salvage dealer's inventory, they can't dispose of them without a salvage certificate, but rather than having to pay the \$5 fee for a salvage certificate on each vehicle in their yards, they can get a certificate when they sell the vehicle.

Vote: The first amendment passed unanimously. **EXHIBIT 12.**

Motion: **REP. SCOTT** moved SB 232 be amended. **EXHIBIT 13.**

Mr. Funk advised that at the present time only the Department of Health has legal authority to take some kind of an action against a wreckage facility that is in violation of the law. Because this whole scheme does involve further regulation of that industry, it is the feeling of the Department of Health that if enforcement activity is going to be increased in this area, since they are already understaffed now, and they are frankly not interested in enhancing the enforcement side, this is the Justice Department initiative. It does not come out of Health and they are taking the position that maybe you ought to have some responsibility for enforcement. As of now, only Health has that responsibility. This paragraph in the amendment simply says that

the Justice Department as an agency, as well as they, can take enforcement action if they discover violations in a particular wrecking facility.

REP. STELLA JEAN HANSEN asked if this applies to private wrecking yards? **Mr. Funk** said yes.

REP. LARSON spoke against this amendment.

Mr. Funk said on page 15 of the bill as drafted, there is new language in lines 17 through 21. It reflects the Justice Department's ideas as to how these two programs would interact. They simply wanted the authority to go in and conduct inspections and report that information to the Department of Health who would take the enforcement action. Because they do not really want to be alone on the enforcement side, they would like the Justice Department to have authority as well as they and so those are kind of the two choices.

REP. STELLA JEAN HANSEN asked if this applies solely to private wrecking yards as it coordinates with the junk vehicle law. **Mr. Funk** said No.

REP. LARSON asked if the yards will have to put with both agencies. **Mr. Funk** said yes. **REP. LARSON** will speak against this particular amendment because it can be odious. **Mr. Funk** explained on Page 5 when the bill was drafted there was new language inserted in lines 17-21 that reflects their idea of how these two bills would interact. They wanted authority to go in and inspect and then the Department of Health would go in and do the enforcing, but they didn't want to be alone on the enforcement side. They want the Justice Department to be in with them. **REP. BACHINI** asked if the Justice Department is taking the original step. **Mr. Funk** said yes.

REP. TUNBY asked why is the Department of Health involved at all. The Justice Department should be involved. **Mr. Funk** explained it came about before his involvement with the Justice Department. It really had to do with screening these yards from public view which was considered to be a regulatory function closer to what the Department of Health did. It is very strange. They regulate these yards in the viewer impact, but what goes on in these yards is fairly critical. These people are involved in the finished part of a vehicle's life. He doesn't believe it really involves beyond the screening type of things.

REP. KILPATRICK asked if with this amendment, either department could act independently. **Mr. Funk** answered yes, that is true. They can enforce a violation if they see it? Without the amendment the Justice Department can only communicate a violation to the Department of Health.

REP. STELLA JEAN HANSEN believes this is a good amendment because the Department of Health has had other responsibilities similar

to this, such as condemnation for water violations. She would see this as being able to come to your department. Mr. Funk said if the amendment were adopted that would be correct.

REP. SONNY HANSON said they have had authority to do these kinds of things, but have delegated that to local governments because they just never got it done.

REP. LARSON suggested getting the Department of Commerce out and the Justice Department in.

Vote: REP. SCOTT'S motion to amend CARRIED (EXHIBIT 13) with REPS. LARSON and HANSON voting No.

Mr. Verdon explained the amendment being considered occurs on page 15, line 8, following the word "owner" insert the words "or person selling the vehicle and or release of ownership in the vehicle".

Henry Lohr, wrecking yard owner, showed a copy of what his yard uses as a release, and also a bill of sale. At the present time he uses both of them. He doesn't want to take any chances. He asked what they are supposed to use and to do. What kind of paperwork is required? The law was being misinterpreted. It should be clear to everyone with the amendment on Page 15, line 25, and Page 16, lines 1-4, wholesale demonstrator plates will be clearly marked as are dealer demonstrator plates for law enforcement purposes.

Mr. Verdon asked what he meant by those words? Mr. Lohr said he is particularly interested in release language. Mr. Verdon asked if the language "or person selling the vehicle" goes in after "owner". Mr. Lohr said after "vehicle". Mr. Verdon asked if he intended to add an "or" or an "and". Mr. Lohr wanted an "or". Mr. Funk said they had no objection to the amendment. It makes correct sense to simply say "or". Persons selling the vehicle "or" interest in the motor vehicle.

REP. CROMLEY asked if this would basically release ownership of the vehicle. Mr. Verdon said "or person selling the vehicle or ownership of the motor vehicle". REP. CROMLEY said this would give them either a certificate of ownership or sheriff's certificate of sale or notarized bill of sale for release of a motor vehicle. Mr. Verdon said you have to have either a certificate of ownership or bill of sale.

Motion/Vote: REP. STELLA JEAN HANSEN moved the "Lohr" amendment be adopted. Motion CARRIED unanimously.

Vote: Motion SB 232 BE CONCURRED IN as amended CARRIED unanimously.

Mr. Funk asked for clarification of the amendment being discussed.

Mr. Lohr said now wholesale demonstrator plates will be clearly marked as dealer demonstrator plates for law enforcement purposes.

REP. WALLIN said the fiscal note indicates there is something about 30 denials of licenses for wrecking yards. What would that percent be for Montana? **Mr. Lohr** said some of their concerns were the denials. Some of that language was stricken because it was incorrect. There are 230 licensed yards in Montana and apparently seven of them were not getting their reports in on time. With this action they will be getting their reports in on time. The titles have to be sent with the reports and they were not doing that. They were going to deny 30 other yards unless this is done. Anybody with an inventory prior to this time would be exempt. Since then records will have to be kept updated.

REP. SONNY HANSON asked if in relation to the three amendments that occurred, in looking at the fiscal note as it was originally introduced, are you adding 40 FTEs to the Department of Justice? Has that changed at all? **Dean Roberts** said they are still anticipating 36 from the new fiscal note and not 40, because of the five year provision and also because they changed the fee structure. There are a little less than 40.

REP. STEPPLER asked what is the negative impact on the general fund? In five years there would be less people?

Dean Roberts said the original fiscal note was for \$189,000. There will be no impact on the general fund. It will be paid for by the fees generated. They are only talking about 3200-3300 rebuilt vehicles in Montana per year. For the impact in five years it would probably be down to 2000-2500.

Motion/Vote: Motion SB 232 BE CONCURRED IN AS AMENDED. Motion CARRIED unanimously.

EXECUTIVE ACTION ON SB 53

Motion: **REP. PAVLOVICH** moved SB 53 BE CONCURRED IN.

Motion: **REP. PAVLOVICH** moved SB 53 BE amended. EXHIBIT 14.

Discussion:

REP. PAVLOVICH said the thrust of the amendment starts at the bottom of Page 2. Stricken language has to be left in and subsection (b) added. Shake-A-Day game has been going on in the state of Montana for many years. This amendment comes from the Department.

REP. LARSON asked if the 50 cents is left in and if the size of the board can be stipulated. **REP. PAVLOVICH** said the 50 cents is left in.

HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

March 13, 1991

Page 21 of 21

REP. STELLA JEAN HANSEN commented if you really want this, someone is going to take your money.

REP. PAVLOVICH said the Justice Department advised this game was illegal and this amendment makes it legal. The Attorney General said everything that is in the law that does not say it is legal is illegal. Our previous Attorney General said everything in the law that was not illegal was legal.

Motion/Vote: Motion to amend SB 53 CARRIED with REPS. BARNETT, WALLIN, KILPATRICK voting No.

Motion/Vote: Motion SB 53 BE CONCURRED IN AS AMENDED CARRIED, with REPS. KILPATRICK, DOWELL, STELLA JEAN HANSEN, and BARNETT voting No.

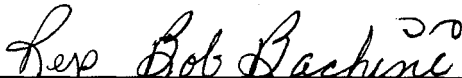
REP. PAVLOVICH will carry SB 53 on the House Floor.

REP. BACHINI stated he was putting HB 46 into sub-committee. That is the Galvin bill. The Committee will be REPS. MCCULLOCH, DOWELL, BARNETT. REP. MCCULLOCH, CHAIRMAN.

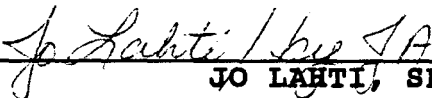
REP. DON STEPPLER introduced Lynette Hintze, Director of the Greater Richland County Economic Development Agency. It takes in most of Richland County and parts of Roosevelt County. This is a smaller version of economic development.

Lynette Hinsey explained their hard work and efforts to get economic development going in that area. It is tough but not impossible. It requires many miles of travel and much ingenuity. EXHIBIT 15 explains their plans in a great deal of detail.

Adjournment: 11:15 a.m.



REP. BOB BACHINI, CHAIRMAN



JO LAHTI, SECRETARY

BB/j1

BU031391.HM1

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE March 13, 1991

[illegible]

HOUSE STANDING COMMITTEE REPORT

March 13, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic
Development report that Senate Bill 433 (third reading copy -
- blue) be concurred in .

Signed: Bob Bachini
Bob Bachini, Chairman

Carried by: Rep. Wallin

HOUSE STANDING COMMITTEE REPORT

3/11/91
March 13, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 323 (third reading copy - blue) be concurred in.

Signed: Bob Bachini
Bob Bachini, Chairman

Carried by: Rep. Wallin

1:30
3-14-91
JDP

HOUSE STANDING COMMITTEE REPORT

March 14, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 232 (third reading copy - blue) be concurred in as amended.

Signed: Bob Bachini
Bob Bachini, Chairman

Carried by: Rep. Pavlovich

And, that such amendments read:

1. Title, lines 13 and 14.

Strike: "TO REQUIRE THE ISSUANCE OF A SALVAGE CERTIFICATE FOR ALL JUNK VEHICLES;"

2. Title, lines 16 and 17.

Following: second "TO"

Strike: remainder of line 16 and line 17 in its entirety

Insert: "SUE TO COLLECT CIVIL PENALTIES FOR CERTAIN"

3. Title, line 18.

Strike: "OF TITLE 75, CHAPTER 10, PART 5, MCA"

4. Title, line 19.

Strike: "AND"

Insert: ", "

5. Title, line 20.

Following: "75-10-512,"

Insert: "AND 75-10-541,"

6. Page 12, lines 21 through 24.

Following: "\$500." on line 21

Strike: remainder of line 21 through "certificate." on line 24

7. Page 15, line 8.

Following: "owner"

Insert: "or person selling the vehicle, release of ownership or interest in the motor vehicle"

8. Page 15, lines 20 and 21.

Strike: lines 20 and 21 in their entirety

Insert: "Section 6. Section 75-10-541, MCA, is amended to read:

March 14, 1991

Page 2 of 2

"75-10-541. Injunction -- action to collect civil penalty -
- authority of department of justice. (1) The department, through
the attorney general or the county attorney of the county in
which a facility is located, may sue to enjoin the operation or
maintenance of a motor vehicle wrecking facility or graveyard
either permanently or until compliance with this part, the rules
of the department, or an order issued pursuant to this part has
been demonstrated.

(2) The department, through the attorney general or the
county attorney of the county in which a motor vehicle wrecking
facility or graveyard is located, may sue in district court to
collect a civil penalty as provided in 75-10-542.

(3) The department of justice, through the attorney general
or the county attorney of the county in which a facility is
located, may sue in district court to collect a civil penalty as
provided in 75-10-542 for violations of 75-10-512 or 75-10-
513(2)."

108
200-10

55115400 1-1-10

11:55 am
3-22-91
HND

HOUSE STANDING COMMITTEE REPORT

March 14, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 53 (third reading copy -- blue) be concurred in as amended .

Signed: _____

Bob Bachini, Chairman

Called by: Rep. Pascewicz

And, that such amendments read:

1. Title, line 8.

Following: "GAMES"

Insert: "; AND LEGALIZING THE DICE GAME COMMONLY KNOWN AS SHAKE-A-DAY"

2. Page 1, line 12.

Following: "game"

Insert: "or in a shake-a-day game"

3. Page 1, line 14.

Following: "7"

Insert: ":"

4. Page 1, line 15.

Following: "~~a~~"

Insert: "(a)"

5. Page 1, line 21.

Strike: "."

Insert: "; or"

6. Page 2, line 12.

Following: line 11

Insert: "(b) play the dice game commonly known as shake-a-day, in which a customer may once each day pay an amount of money predetermined by the establishment, but not more than 50 cents, and shake a number of dice predetermined by the establishment in an attempt to roll a certain combination simulating a poker hand predetermined by the establishment and, if the combination is rolled, win all money paid to play the game since the last winning combination was rolled. The establishment may, before a game begins, limit the amount that will be won and use the remaining money played on that game to start the pot for the next game, thus

March 14, 1991
Page 2 of 2

enhancing the incentive to play the next game in the early stages of the next game. All money paid to play games must be paid out as winnings."

Amendments to House Bill No. 905
First Reading Copy

Requested by Greg Petesch
For the Committee on

Prepared by Greg Petesch
February 21, 1991

1. Title, line 14.

Following: "17-5-706,"

Insert: "AND"

2. Title, lines 15 and 16.

Following: "17-5-719," on line 15

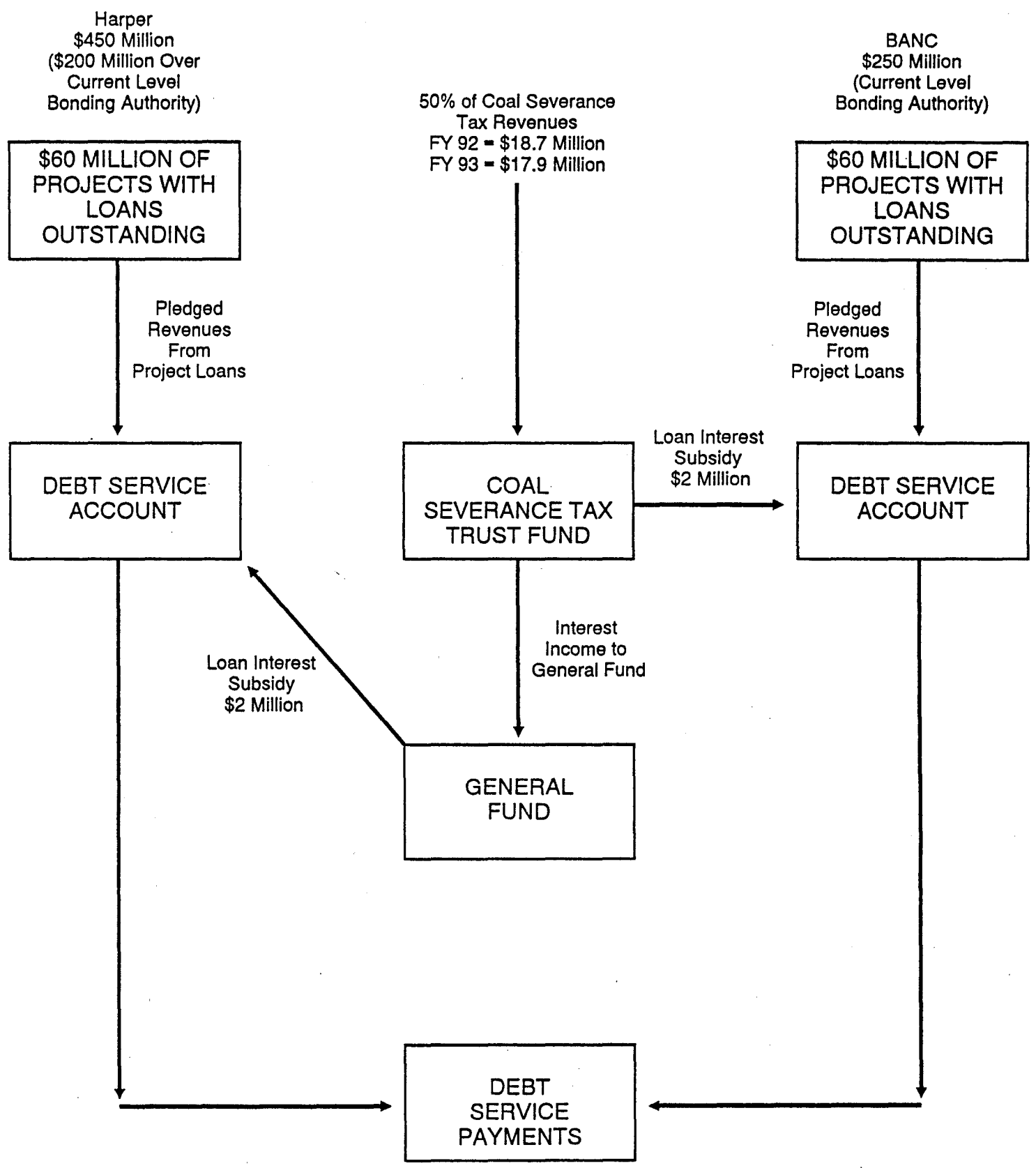
Strike: remainder of line 15 through "85-1-620," on line 16

3. Page 12, line 11 through page 25, line 9.

Strike: sections 14 through 20 in their entirety

Renumber: subsequent sections

Comparison of HB 795 & HB 905



Bond sales under both bills are limited by coal severance tax and other pledged revenues that must be two (2) times the annual debt service on all outstanding bonds.

COAL SEVERANCE TAX
EXISTING PROGRAM

\$96.8 Million/Biennium
FY 90-91 Estimate

50% to Permanent Trust
\$48.4 Million/Biennium

Bond Fund Subaccount
Water Development Program
Requires 3/4 Vote to
Authorize Projects

Coal
Severance
Tax Bond
Program

Trust Fund Subaccount

Trust Fund Interest
Income Subaccount

100% Interest to General Fund

COAL SEVERANCE TAX
BANC PROGRAM

\$96.8 Million/Biennium
FY 90-91 Estimate

50% to Permanent Trust
\$48.4 Million/Biennium

Bond Fund Subaccount
Local Infrastructure and
Water Development Programs
Requires 3/4 Vote to
Authorize Projects

BANC Fund
State Parks — 5 Years
— Limit \$20 Million
Long Range Building
Requires 3/4 Vote to
Authorize Projects

Trust Fund Subaccount

Trust Fund Interest
Income Subaccount

100% Interest to General Fund

Amended #3

EXHIBIT Bradley
DATE 3/13/91
905 # 4

LRBP REQUESTS
DEFERRED MAINTENANCE PROJECTS
CAPITOL COMPLEX

REPAIR LIMESTONE, VETERANS' & PIONEERS MEMORIAL BUILDING
\$205,000

Anchors for the 1970 addition, exterior limestone panels are allowing movement, and some panels have rotated away from the wall plane. The rotation has caused cracks in mortar joints in allowing moisture penetration and further deterioration. An analysis indicates the structural integrity of the anchors is inadequate to meet seismic forces predicted for this area. A major earthquake may shear the panels from the wall, and endanger anyone in the immediate area. The panels need to be removed and properly secured.

Another example of stone degradation is the exterior limestone on the Capitol Building. Limestone, particularly on the south face, is spalling from moisture freeze-thaw cycles. While this represents a major maintenance project, repair funds were not requested through the LRBP.

WINDOW REPLACEMENT, CAPITOL COMPLEX
\$1,091,743

The project would replace aluminum windows in the Capitol Building and renovate the wood windows. Wood windows are rapidly deteriorating, and aluminum are incongruous with the historic character of the Capitol Building. In addition, the project would replace deteriorated, single pane wood windows in the Old Livestock Building, the Old Board of Health Building, and the Diane Building; it would replace single pane steel windows in the Scott Hart Building.

These window requests are typical of virtually every major campus in the state. Many old wood windows are simply rotting from years of exposure to the elements. Single pane windows are cold and drafty. Often steel windows become warped and do not close properly; spare parts are no longer available for many windows.

I AM ED ZAIDLICZ AND I LIVE IN BILLINGS, MT. I SPEAK TO YOU ON BEHALF OF THE MONTANA STATE PARKS FUTURES COMMITTEE AS IT'S CHAIRMAN.

WE COMPLETED OUR REPORT AFTER 15 MONTHS OF DELIBERATION AND PUBLIC FACT FINDING LAST NOVEMBER. THE GOVERNOR, MEMBERS OF THE F & G COMMISSION AND YOU, THE MEMBERS OF THE 52ND LEGISLATURE, WERE GIVEN COPIES OF OUR RECOMMENDATIONS.

THE REPORT CONTAINS 51 PAGES OF FINDINGS THAT MERIT PUBLIC REVIEW. TODAY I SHALL LIMIT MY REMARKS TO THE MOST CRITICAL ELEMENT OF THE MONTANA STATE PARKS SYSTEM PROBLEM -- INADEQUATE FUNDING AND PERSONNEL.

WE LEARNED THAT MONTANANS CONSIDER OUTDOOR RECREATION AND OUR STATE PARKS AS ESSENTIAL COMPONENTS OF OUR SOCIAL INFRASTRUCTURE RANKING WITH ROADS AND BRIDGES. AFTER VISITING 20 OF THE MORE SIGNIFICANT STATE PARKS WE CAME AWAY DEEPLY IMPRESSED WITH THE QUALITY AND POTENTIAL OF OUR HERITAGE. FURTHER REVIEW OF MANY SOURCES AND EXPERTS CONVINCED US THAT MONTANA IS BLESSED WITH SOME OF OUR NATION'S FINEST NATURAL, CULTURAL AND RECREATIONAL SITES. FROM PERSONAL EXPERIENCE (BEFORE RETIRING I HAD THE OPPORTUNITY TO WORK IN EVERY STATE THAT HAD PUBLIC LAND (BLM) FROM ALASKA TO CALIFORNIA AND FROM OREGON TO WASHINGTON, D.C.) I CAN CONFIRM THAT NO STATE SURPASSES MONTANA IN TOTAL OUTDOOR RECREATIONAL AMENITIES.

AS YOU KNOW, WE FOUND OUR STATE PARKS SYSTEM IN SERIOUS DISREPAIR AND LACKING ADEQUATE DEVELOPMENT. EARLY ON WE WERE STRUCK BY THE CONSIDERABLE POTENTIAL IT REPRESENTED IN CONCERT WITH OUR TOURISM INDUSTRY. HOWEVER A SERIOUS IMBALANCE IS DEVELOPING: WHILE ENJOYING GREAT SUCCESS WITH THE 4% BED TAX BY ATTRACTING LARGE NUMBERS OF NEW VISITORS, OUR STEWARDSHIP OF MONTANA STATE PARKS DOES NOT ENCOURAGE THESE VISITORS TO STAY OR RETURN. THE CONDITION OF OUR PARK ROADS, WATER AND SEPTIC SYSTEMS, TOILETS, BOAT RAMPS, ETC IS DETERIORATING AND OFTEN UNSAFE. I SPOKE TO AN OUT OF STATE VISITOR AT ONE OF OUR OVERCROWDED PARKS. HE HAD DRIVEN IN WITH AN EXPENSIVE MOTOR HOME AND WAS VERY UNHAPPY WITH THE RUTTED CONDITION OF THE CONNECTING ROAD INTO THE PARK. HIS QUESTION SAYS IT ALL -- "ARE ALL MONTANA'S S.P. ROADS LIKE THIS?"

TO BRING OUR STATE PARKS AND TOURISM EFFORTS INTO REASONABLE BALANCE WE STRONGLY RECOMMENDED IN OUR REPORT TO YOU THAT THE PARKS BUDGET BE INCREASED BY \$6.3 MILLION 30 POSITIONS AND WITHIN A TIME FRAME OF 5 YEARS. WE FELT A LESSER INVESTMENT OR A LONGER RECONSTRUCTION PERIOD COULD SERIOUSLY THREATEN THE FRAGILE CONDITION OF MANY IRREPLACEABLE SITES AND STRUCTURES AS WELL AS JEOPARDIZE THE CONSIDERABLE TOURISM GAINS WE HAVE ALREADY WON.

OF THAT \$6.3 MILLION INCREASE, \$4 MILLION REFLECTS THE DIRE NEED FOR CAPITAL INVESTMENTS. THIS INVOLVES, BUT IS NOT LIMITED TO SUCH EXAMPLES AS:

- BETTER TOILETS, SHELTERS, WATER SYSTEMS, BOAT FACILITIES
- BETTER ACCESSIBILITY FOR THE HANDICAPPED
- STRUCTURAL STABILIZATION OF FRAGILE HISTORIC BUILDINGS
- SITE CONTROL AND IDENTIFICATION
- EROSION CONTROL
- SIGNS AND INTERPRETIVE FACILITIES
- DUMP STATIONS
- ACQUISITION OR EASEMENTS OF CRITICAL INHOLDINGS AND ADJOINING PROPERTIES
- MORE, SUITABLE CAMPGROUNDS

Park WE STUDIED AND CONTACTED MANY AUTHORITATIVE AND PROFESSIONAL SOURCES TO SEE WHAT OTHER "COMPETING" STATES HAD DONE AND WHAT THEIR RESULTS WERE. DESPITE THE DEPLORABLE CONDITION OF MANY OF OUR SYSTEM PARKS, WE WERE PLEASED TO SEE THAT MONTANA'S ANNUAL BUDGET OF \$3.6 MILLION, 43 FTE AND 140 SEASONAL EMPLOYEES GENERATED \$45 MILLION AND 1500 PRIVATE SECTOR JOBS.

FOR TOO LONG MONTANA HAS BEEN CONSIDERED THE TOURIST'S PIT STOP BETWEEN TWO NATIONAL PARKS. THE MOST CURRENT STATISTICS ON YEARLY VISITATIONS SHOW:

- YELLOWSTONE PARK AT 2.75 MILLION (APPROACHING SATURATION)
- GLACIER PARK AT 1.80 MILLION
- AND OUR CHRONICALLY MALNOURISHED STATE PARK SYSTEM DRAWING 4 MILLION VISITORS!

YET MONTANA CONTINUES AS THE 48TH STATE IN TERMS OF FUNDING AND DEAD LAST IN REVENUES RECEIVED.

WE SPEND	\$25,000	/YR	/ PARK	494	<i>per visitor</i>
WYOMING -	\$45,000	/ YR	/ PARK	1.61	
N.DAKOTA-	\$66,000	/ YR	/ PARK	1.50	
COLORADO-	\$145,000	/YR	/ PARK	1.66	

OUR COMMITTEE WAS HIGHLY ENCOURAGED TO DISCOVER THAT STATE PARKS CAN PROVE TO BE IMPORTANT ECONOMIC INVESTMENTS FOR SHORT AND LONG TERM BENEFITS. WYOMING IN A RECENT STUDY LEARNED THAT TRADITIONAL CONSUMPTIVE OUTDOOR RECREATION NAMELY HUNTING AND FISHING MADE THE STATE \$220 MILLION BUT NON-CONSUMPTIVE ACTIVITIES LIKE WILDLIFE VIEWING, PARKS, BIRD WATCHING, CAMPING, ETC RETURNED \$654 MILLION ANNUALLY.

THE PROVINCE OF ALBERTA WISELY INVESTED \$10 MILLION OVER A 10 YEAR PERIOD IN AN INTERPRETIVE PARK AT HEAD SMASHED IN PISHKUN NEAR FT. McLEOD. LAST YEAR THEY GARNERED \$3.1 MILLION FROM 250,000 VISITORS AND EMPLOYED 58 PEOPLE IN PRIVATE SECTOR JOBS - THEY DISCOVERED THAT ONE STAFF CULTURAL INTERPRETOR CREATES 4.6 PRIVATE JOBS.

IN CONTRAST, OUR OWN ULM PISHKUN, JUST ACROSS THE BORDER IS BADLY VANDALIZED AND STANDS AS A CULTURAL LIABILITY. IN OUR WORK WITH THE EXPERTS IN THE MONTANA HISTORICAL SITES COMMISSION WE DISCOVERED SADLY THAT ULM HAS EVEN MORE POTENTIAL THAN HEAD SMASHED IN. I ASKED DIRECTOR LARRY SOMMERS OF THE MONTANA HISTORICAL SOCIETY IF HE HAD DATA ON OTHER LIKE CASE STUDIES. HE GRACIOUSLY CONTACTED COLLEAGUES IN THE STATES OF MINNESOTA, MICHIGAN AND ILLINOIS FOR THEIR EXPERIENCES. FROM THE MANY EXAMPLES HE PROVIDED ME, I HAVE SELECTED TWO SITES IN MINNESOTA THAT ARE SIMILAR TO THE TYPES WE FIND IN MONTANA. FOR ME THEY WERE GRATIFYING EVIDENCE TO STIMULATE US TO REVIEW OUR INVESTMENT POTENTIALS.


- 1) FOREST HISTORY CENTER - IT PRESERVES AND INTERPRETS TIMBER/LOGGING HISTORY
 PHYSICAL PLANT AND OPERATIONS COST - \$987,500
 1990 VISITATIONS = 30,000
 EARNED INCOME 1990 = \$48,000
 INDIRECT ECONOMIC IMPACT = \$10.2 MILLION
 THEY CALCULATED A \$40.88 RETURN FOR EACH DOLLAR INVESTED IN FHC.
- 2) JEFFERS PETROGLYPHS - 1990
 PHYSICAL PLANT AND OPERATIONS \$47,600
 VISITATIONS - 8734
 EARNED INCOME - \$0
 INDIRECT ECONOMIC IMPACT \$2.7 MILLION
 THEY CALCULATED \$115.91 RETURN FOR EACH DOLLAR INVESTED IN THIS SITE.

FROM THE PUBLIC MEETINGS WE IDENTIFIED 25 POSSIBLE SOURCES OF INCOME TO FUND OUR STATE PARKS ADEQUATELY. WE REJECTED 9 AND RESPECTFULLY RECOMMENDED 16 WORTHY OF YOUR CONSIDERATION. BY UNANIMOUS AGREEMENT WE FELT A COMBINATION OF STABLE SOURCES SHOULD BE USED RATHER THAN RELYING ON ONLY ONE OR TWO AND THAT THE BASIC FOUNDATION SHOULD REST ON THREE:

- 1 - USER FEES
 - 2 - GENERAL FUNDS
 - 3 - COAL TAX
- 1) - USER FEES NOW COMPRISE 36% OF THE OPERATIONAL BUDGET - ABOUT ON PAR WITH AVERAGE STATE STATISTICS NATIONWIDE.
 - 2) - GENERAL FUNDS HAVE NOT BEEN AVAILABLE SINCE 1985 - PUBLIC SENTIMENT WAS STRONGLY EXPRESSED DURING OUR FACT FINDING - THE "PARKS ARE THEIRS" AND THE SHARE OF FUNDING SHOULD COME FROM GENERAL FUNDS.
 - 3) - COAL TAX WAS WIDELY SUPPORTED BY THE PUBLIC. WE RECOMMENDED AN INCREASE FROM THE PRESENT 1.27% TO 5.5% OF THE COAL TAX. MONTANANS BELIEVED IT WAS APPROPRIATE TO INVEST REVENUE FROM NON-RENEWABLE RESOURCES TO PRESERVE OTHER NON-RENEWAL PUBLIC NATURAL RESOURCES - SPECIFICALLY OUR STATE PARKS.

I KNOW OF NO RECENT PROPOSALS FOR ALLEVIATING OUR AUSTERE ECONOMIC POSTURE THAT SUGGEST THE PROMISE THAT RESTORING A VIABLE STATE PARK SYSTEM WORKING IN CONCERT WITH OUR TOURISM EFFORT DOES. GIVEN THE HIGHLY COMPETITIVE NATURE OF THE TOURISM INDUSTRY AND THE PROVEN RESOURCEFULNESS OF OUR COMPETING SISTER STATES CAN WE AFFORD NOT TO FULLY DEVELOP OUR OWN VERY CONSIDERABLE NATURAL ENDOWMENT? TRULY A WIN/WIN SITUATION - WE SAVE OUR NATURAL HERITAGE WHILE STRENGTHENING OUR ECONOMIC BASE.

HAVING IDENTIFIED, ON OUR WATCH, ^{THE} UNSATISFACTORY CONDITION OF OUR STATE PARKS, AS WELL AS THE SIGNIFICANT BENEFITS THAT CAN FLOW FROM A VIABLE WELL MANAGED SYSTEM, HISTORY MAY NOT BE FORGIVING IF WE FAIL TO TAKE TIMELY REMEDIAL ACTION.


ED ZAIDLICZ

MARCH 11, 1991

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

MY NAME IS MARGARET KOCHMAN. I AM FROM GREAT FALLS AND A MEMBER OF THE STATE PARK FUTURES COMMITTEE, THE HERITAGE PARK BOARD, AND CHAIRMAN OF THE CASCADE COUNTY PARK BOARD.

I AM HERE TO VOICE MY SUPPORT OF HOUSE BILL 905. THE STATE PARK FUTURES COMMITTEE HELD PUBLIC MEETINGS ALL ACROSS OUR STATE TO DETERMINE THE PROBLEMS AND NEEDS OF OUR PARK SYSTEM. THE NEEDS ARE SUBSTANTIAL AND LEGITIMATE. UNFORTUNATELY, OUR STATE PARK SYSTEM IS IN DEPLORABLE CONDITION...WITH THE FACILITIES AND SERVICES THAT WE OFFER, AS WELL AS FINANCIALLY. THE PUBLIC MADE THEIR POSITION VERY CLEAR...WE MUST IMPROVE FACILITIES AND SERVICES. WE MUST STABILIZE AND PROTECT ARCHEOLOGICAL AND HISTORICAL SITES BEFORE THEY ARE LOST FOREVER...BEFORE IT IS TOO LATE. VANDALISM AND NATURAL DEGRADATION ARE TAKING HEAVY TOLLS ON DEVELOPED SITES AS WELL AS ARCHEOLOGICAL AND HISTORICAL SITES.

MONTANA NEEDS TO IMPROVE THOSE SITES THAT AFFORD ADDITIONAL INCOME TO OUR STATE THROUGH TOURISM. CURRENTLY, OUT OF STATE VISITORS TO STATE PARKS CONTRIBUTE ALMOST \$45 MILLION TO MONTANA'S ECONOMY AND SUPPORTS 1,500 PRIVATE SECTOR JOBS. THE \$45 MILLION IS BEING GENERATED WITH OUR STATE PARK SYSTEM IN A VERY UNHEALTHY STATE. WHAT WOULD THE POTENTIAL BE IF OUR PARKS WERE IN A POSITIVE POSITION? IF OUR FACILITIES ENTICED 500,000 OUT OF THE 5.7 MILLION VISITORS TO MONTANA TO STAY AN ADDITIONAL DAY IN A STATE PARK, THERE WOULD BE AN ADDITIONAL CONTRIBUTION OF ROUGHLY \$10.6 MILLION TO THE ECONOMIES IN AREAS ADJACENT TO THE PARKS.

2x. v
3/13/91
HB 905

WE NEED TO HAVE A PARK SYSTEM EQUAL TO WHAT IS OFFERED IN OUR NEIGHBORING STATES AND PROVINCES. WE ARE ONE OF FIVE STATES WHICH OFFER NO MODERN CAMP SITES WITH ELECTRICAL AND WATER SERVICE. WE RANK 48TH IN THE UNITED STATES IN SPENDING PER VISITOR. VISITORS AND RESIDENTS ALIKE WILL BENEFIT FROM IMPROVEMENTS.

CAPPING THE COAL TRUST COULD BE VIEWED AS STEALING FROM THE FUTURE, HOWEVER, WITH THE STATE PARK SYSTEM WE MAY NOT HAVE A FUTURE IF WE DO NOT PRESERVE WHAT WE HAVE NOW.

I URGE YOU TO SUPPORT HOUSE BILL 905. THANK YOU.

MONTANA Infrastructure Facts

EXHIBIT *K*
DATE *3/13/91*
HB *905*

Montana's infrastructure is the network of public facilities -- roads, bridges, public buildings, prisons, sewers and wastewater treatment facilities, water supply facilities, dams, and other public works -- that Americans rely on every day to provide the foundation for economic activity and our quality of life. Many of these facilities are inadequate to meet current needs and are in a deteriorating condition. Here is a sampling of Montana's infrastructure needs.

CLEAN WATER NEEDS IN MONTANA

- The Environmental Protection Agency has estimated the capital costs needed to build the publicly-owned municipal wastewater treatment facilities required to comply with the Clean Water Act. EPA computes the investment needed between now and the year 2008 for two situations: first, to meet the needs of the current state population, and secondly, to meet the needs when the state's anticipated population growth through 2008 is taken into account.

PUBLIC WASTEWATER TREATMENT NEEDS IN MONTANA, 1988 THROUGH 2008 (Millions of Dollars)

	Secondary Treatment	Advanced Treatment	Infiltration/ Inflow Correction	Replacement/ Rehabilitation	New Collector Sewers	New Interceptor Sewers	Combined Sewer Overflow	TOTAL
Needs (with no population growth)	\$17	\$2	0	\$9	\$19	\$10	0	\$57
Needs (with population growth)	21	4	0	9	23	12	0	69

U.S. Environmental Protection Agency

HAZARDOUS WASTE SITES IN MONTANA

- In Montana 634,800 metric tons of hazardous waste were generated in 1986 -- 0.2 % of all hazardous waste generated in the U.S. that year.
- The Environmental Protection Agency has placed 8 Montana sites on the National Priorities List for Superfund cleanup. An additional 2 sites located in Montana (also listed below) are proposed for addition to the Superfund List.

SUPERFUND NATIONAL PRIORITIES LIST SITES IN MONTANA

Site Name	City/County	
Anaconda Co. Smelter	Anaconda	
Burlington Northern Railroad	Somers	Proposed
Comet Oil Co.	Billings	Proposed
East Helena Site	East Helena	
Idaho Pole Co.	Bozeman	
Libby Ground Water Contamination	Libby	
Milltown Reservoir Sediments	Milltown	
Montana Pole and Treating	Butte	
Mouat Industries	Columbus	
Silver Bow Creek/Butte Area	Sil Box/Deer Lodge	

U.S. Environmental Protection Agency, National Priorities List, July, 1989

HIGHWAY NEEDS IN MONTANA

- In Montana, 18 percent, or 1,934 miles, of rural highway miles in the state are rated as deficient under the Federal Highway Administration pavement conditions rating system; that is, the pavement is in "poor" condition and is therefore in need of resurfacing, rehabilitation, or reconstruction. An additional 11,675 miles in the state are unpaved.
- Fifteen percent, or 94 miles, of urban highways and streets in Montana are rated deficient.
- These statistics do not include local streets and roads. The highway classifications represented in the following tables cover only 33 percent of Montana's street and road mileage, but carry over 82 percent of the state's travel.

MONTANA'S DEFICIENT ROADWAY MILES

RURAL

	Interstate	Other Principal Arterial	Minor Arterial	Major Collector	Minor Collector	TOTAL
1987	94	449	722	675	21	1,961
1988	120	396	754	642	22	1,934

Federal Highway Administration

URBAN

	Interstate	Other Freeways, Expressways	Principal Arterial	Minor Arterial	Collector Roads	TOTAL
1987	13	None	17	37	26	93
1988	7	None	29	34	24	94

Federal Highway Administration

MONTANA'S DEFICIENT BRIDGES

- Montana has a total of 4,705 bridges, of which 2,761 (59 percent) are either structurally deficient or functionally obsolete (meaning the bridge is inadequate for current loads and traffic).
- Fifty-three percent of Montana's highway bridges on the federal-aid system are deficient, as are 65 percent of the bridges on state and local roads off the federal aid system.

NUMBER OF DEFICIENT BRIDGES IN MONTANA - JUNE, 1989

	Bridges in Inventory	Structurally Deficient Bridges	Functionally Obsolete Bridges	Total Deficient Bridges	Percent Deficient
On Highways Eligible for Federal Aid	2,498	90	1,236	1,326	53
On State or Local Roads	2,207	411	1,024	1,435	65
MONTANA TOTAL	4,705	501	2,260	2,761	59

Highway Bridge Replacement and Rehabilitation Program, 1990.

MONTANA'S AIR TRANSPORTATION SYSTEM NEEDS

- The U.S. Department of Transportation has developed an integrated plan for airport development and expansion to meet the nation's needs for both commercial and general aviation through the year 1995. For the nation as a whole, air traffic is expected to grow 5 percent annually through 1995.

MONTANA AIRPORT CAPITAL NEEDS (Millions of Dollars)

	1986-1990	1991-1995
Airport Needs	\$57.0	\$34.1

Secretary of Transportation Report to Congress, National Plan of Integrated Airport Systems (NPIAS): 1986-1995, November, 1987.

MONTANA ECONOMIC FACT SHEET

Associated General Contractors of America

April, 1989

CONSTRUCTION EMPLOYMENT

- Construction employment in Montana has declined from 12,600 in 1984 to 8,500 in 1988.
- Construction employment was 4.5% of total state employment in 1984, now accounts for 3.1% of the 278,900 people employed in Montana.

MONTANA EMPLOYMENT

Year	Construction	Total	Constr Pct
1984	12,600	281,100	4.5
1985	11,500	279,100	4.1
1986	10,200	275,400	3.7
1987	8,800	274,100	3.2
1988	8,500	278,900	3.1

Bureau of Labor Statistics, U.S. Department of Labor

MONTANA UNEMPLOYMENT RATE

- The unemployment rate for all private nonagricultural wage and salary workers in Montana was 7.6% in 1988, as compared to the national average rate of 5.5%.
- 17,000 people were unemployed in the state in 1988, including 3,000 construction workers.
- The construction unemployment rate in Montana was 23.2% in 1988, as compared to the national average construction unemployment rate of 10.6% last year.

CONSTRUCTION'S SHARE OF MONTANA'S ECONOMY

- In Montana, construction (including homebuilding, nonresidential building and nonbuilding work) has dropped from 10.1% of the state's gross product in 1982 to 8.4% in 1986.
- Over the same five years, U.S. construction has increased from 4.5% of gross product in 1982 to 4.7% in 1986.
- Construction in the Rocky Mountain Region (CO, ID, MT, UT, WY), has declined from 7.3% of the region's economy to 6.3% in 1986.

CONSTRUCTION'S SHARE OF GROSS PRODUCT

	1982	1983	1984	1985	1986
MONTANA	10.1	9.9	9.3	9.2	8.4
ROCKY MOUNTAIN REGION	7.3	6.7	6.7	6.7	6.3
UNITED STATES	4.5	4.5	4.6	4.7	4.7

Bureau of Economic Analysis, U.S. Department of Commerce

Note: These numbers are generally lower than our estimate that construction accounts for approximately 10% of GNP because the value of inputs (supplies, equipment) are assigned to the state and industry producing the inputs. 1987 data will not be available until early 1990.

ECONOMIC IMPACT OF CONSTRUCTION ON MONTANA

- Each \$1 spent on new construction in Montana generates a total of \$1.9397 in economic activity in both industries and services in the state. This ratio is used to estimate the impact of new construction on the state's economy. For example, a \$20 million project would result in a \$38,794,000 increase in the state's economy (\$20 million X the 1.9397 multiplier). This total includes the original \$20 million project.
- Each additional \$1 million spent on new construction in Montana creates 37.9 jobs. For example, a \$20 million new construction project would create 758 jobs in the state in construction, supplier, and service industries (\$20 X 37.9 jobs/million).
- For each \$1 of new construction, the earnings of households in the state is increased by \$.6318. For example, a \$20 million construction project would increase the total household earnings in the state by \$12,636,000 (\$20 million X \$.6318). Both construction workers and employees of other industries benefit from this increased standard of living, and this figure also shows that the tax base of the state is increased.

Note: Figures from 1987 Regional Input-Output Modeling System (RIMS II), Bureau of Economic Analysis, U.S. Department of Commerce.

The State Economic Fact Sheets will be expanded to include additional data as it becomes available. Nonresidential building permit data for thirteen types of nonresidential construction will be added to the Fact Sheets in early Summer, 1989. For additional information, contact the AGC Construction Economics Division at (202) 393-2040.

Montana Contractors' Association, Inc.

*A Chapter of
the Associated General Contractors of America*

1717 11th Avenue
Post Office Box 4519
Helena, Montana 59604
Telephone (406) 442-4162 FAX (406) 449-3199

Natural Resources

EXHIBIT 8
DATE 3/13/91
HB 905 sub #2

WITNESS STATEMENT

NAME Tony Schaeffer BILL NO. H.B. 905

ADDRESS Box 2

WHOM DO YOU REPRESENT? Mont. Wildlife Federation

SUPPORT ☒ OPPOSE ☐ AMEND ☐

COMMENTS: Recreation Tourism fluctuating
back and forth is our #1 industry.
This bill sets the stage for progress
All people will share the expenses of
enhancing & maintaining our state parks
Will not be taken just from recreation money.
The bill includes adequate safeguards
and side boards by placing limits on
the amounts to be spent over five
years & controlled by a 3/4 vote
Our state parks are a valuable
resource which should be protected
and enhanced.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.



DANIEL KEMMIS

OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MT 59802-4291 (406) 523-4601 FAX: (406) 728-6690

EXHIBIT 8A
DATE 3/13/91
HB 905

March 11, 1991

The Honorable Robert Bachini
Chairman
House Business & Economic Development Committee
Montana State Capitol
Helena, Montana 59620

Dear Chairman Bachini:


The City of Missoula supports the concepts of HB795 and HB905 establishing an Infrastructure Trust Fund and a local government infrastructure loan program.

The evidence that state and local governments have to address the infrastructure crisis in America is overwhelming. With the federal government's financial situation and proposed highway bill, it is obvious that state and local governments will be left to solve the problem on our own.

One problem that we in Missoula have with the programs in both HB795 and HB905 (as with the Big Sky Dividend Program) stems from the fact that we are one of only two cities in the state which does not own its water system. We would therefore not be eligible for assistance to this major area of infrastructure. SB261, introduced by Senator Lynch, would, if restored to its original form, assure our power to acquire our water system. We would appreciate your support on that issue.

Please count on the City of Missoula's support of either HB795 or HS905 and let me know if there are additional efforts I can personally make to support this legislation.

Sincerely,


Daniel Kemmis
Mayor

pc: Representative Hal Harper
Representative Dorothy Bradley

EXHIBIT 9

DATE 3/13/91

NO 905

Coal Severance Tax Loans
CST

Here is a summary of some of the Coal Severance Tax backed issues. Here you can see some of the rates were over 10%.

Prepared by:

Anna M. Miller
DNRC

The following table contains for each Loan, the borrower, the original principal amount, the outstanding principal amount, the interest rate and original term. The interest rates set forth for the Loans financed from proceeds of the Series 1985A and 1985B Bonds are the current rates without adjustment as a result of the issuance of the Series 1990 Bonds. Such interest rates will be reduced, during the period such Loans now bear interest at 9.29%, 10.26% or 10.118%, from such rates to 8.38% per annum.

All of the Loans are current as to the payment of principal and interest except for the two loans to Lakeside Sewer District of Flathead County, Montana (the "District"). As of the date hereof, the District is delinquent in the payment of principal and interest in the approximate amount of \$233,000. The Flathead County Treasurer's Office has informed the Department that for fiscal year 1991, pursuant to a request by the District, it has certified an ad valorem tax levy on all taxable property in the District in the amount of \$350,700. The District anticipates that this amount, together with other available revenues, would be sufficient, if paid timely and in full, to bring its loans current in 1991.

Borrower	Original Loan Amount	Loan Balance (as of 9/07/90)	Interest Rate and Original Term
SERIES 1985A			
Anaconda-Deer Lodge County	\$ 500,000.00	\$ 451,150.83	9.29% - 20 years
Belgrade, City of	825,000.00	700,087.58	7.00% - 5 years; 10.26% - 15 years
Bitterroot Irrigation District	1,180,000.00	1,076,234.64	3.00% - 30 years
Charlo County Water District	34,500.00	29,249.26	9.29% - 20 years
Conrad, City of	250,000.00	212,927.67	7.00% - 5 years; 10.26% - 15 years
Culbertson, Town of	704,000.00	586,983.93	5.00% - 20 years
Ennis, Town of	180,000.00	153,227.50	7.00% - 5 years; 10.26% - 15 years
Fort Benton, City of	753,060.00	654,306.11	6.29% - 5 years; 9.29% - 15 years
Havre, City of	2,590,000.00	2,250,355.55	6.29% - 5 years; 9.29% - 15 years
Libby, City of	590,500.00	501,082.43	7.00% - 5 years; 10.26% - 15 years
Poplar, City of	477,260.00	414,449.85	6.29% - 5 years; 9.29% - 15 years
Power-Teton Water & Sewer District .	121,370.00	78,104.94	7.00% - 20 years
Upper Musselshell Water Users Ass'n.	250,000.00	179,353.81	10.118% - 20 years
Sage Creek Water District	623,000.00	581,622.06	7.00% - 5 years; 10.26% - 15 years
Shelby, City of	592,000.00	502,355.29	7.00% - 5 years; 10.26% - 15 years
Three Forks, City of	266,200.00	233,555.62	7.00% - 5 years; 10.118% - 15 years
Three Forks, City of	163,000.00	146,564.41	7.00% - 5 years; 10.118% - 15 years
SERIES 1985B			
Denton, Town of	\$ 185,000.00	\$ 171,091.53	7.29% - 5 years; 9.29% - 15 years
Dodson, Town of	35,000.00	32,946.53	7.29% - 5 years; 9.29% - 15 years
East Bench Irrigation District	757,297.00	715,064.59	3.00% - 30 years
East Helena, City of	434,434.00	404,750.92	6.29% - 5 years; 9.29% - 15 years
Ekalaka, Town of	195,000.00	174,710.18	7.29% - 5 years; 9.29% - 15 years
Glasgow, City of	3,200,000.00	2,971,549.43	6.29% - 5 years; 9.29% - 15 years
Lakeside County Sewer District	431,837.57	426,268.01	6.29% - 5 years; 9.29% - 15 years
Lakeside County Sewer District	758,162.43	747,894.06	6.29% - 5 years; 9.29% - 15 years
Lockwood Irrigation District	247,000.00	225,097.41	7.29% - 5 years; 9.29% - 15 years
Mill Creek Water and Sewer District .	950,000.00	919,160.64	3.00% - 30 years
Pondera Conservation District	555,000.00	555,000.00	Bond Anticipation Note at 6% due 12/01/90
Shields Canal Company	30,000.00	28,138.40	9.29% - 20 years
Whitehall, Town of	144,171.00	123,304.04	7.29% - 5 years; 9.29% - 15 years
White Sulphur Springs, City of	400,000.00	364,490.51	7.29% - 5 years; 9.29% - 15 years
Yellowstone County (Cedar Park)	482,500.00	348,499.56	5.29% - 5 years; 9.29% - 15 years
Yellowstone County (Homestead/Oxbow)	758,000.00	518,027.24	5.29% - 5 years; 9.29% - 15 years
Yellow Water Water Users Association	32,000.00	28,547.00	9.625% - 20 years

EX. 7
3/13/91
HB 905

<u>Borrower</u>	<u>Original Loan Amount</u>	<u>Loan Balance (as of 9/07/90)</u>	<u>Interest Rate and Original Term</u>
SERIES 1987C			
Harlem, City of.....	\$ 403,125.00	\$ 379,306.80	5.32% - 5 years; 7.32% - 15 years
Lima, Town of	250,000.00	231,125.90	5.32% - 5 years; 7.32% - 15 years
West Yellowstone, Town of.....	515,000.00	487,721.92	7.32% - 20 years
SERIES 1988A			
Bozeman, City of	\$ 726,079.00	\$ 702,383.00	4.23% - 5 years; 7.23% - 15 years
West Yellowstone, Town of.....	650,000.00	650,000.00	7.23% - 20 years
SERIES 1989A			
Gardiner - Park County Water District	\$ 360,500.00	\$ 350,976.47	5.90% - 5 years; 6.90% - 15 years
Miles City, City of	1,532,910.00	1,532,910.00	5.90% - 5 years; 6.90% - 15 years
Sanders County - Noxon	151,000.00	151,000.00	4.90% - 5 years; 6.90% - 15 years
Sun Prairie Village County Water & Sewer District.....	114,206.00	114,206.00	Bond Anticipation Note at 8% due 10/15/90

SENATE BILL 323 - STATEMENT

PREPARED BY: DARYLL E. (BUD) SCHOEN, CHIEF Date: February 20, 1991
REGISTRAR'S BUREAU
MOTOR VEHICLE DIVISION
DEPARTMENT OF JUSTICE

Section 1 Page 2, Lines 13 through 19 - A person would be required to obtain a dealers license if they allowed more than three vehicles, not titled in their name, to be displayed and offered for sale on their property, unless the property was leased to a licensed dealer. Reduce unlicensed sales on vacant lots.

Section 2 Page 3, Lines 8 through 23 - Cleans up language and provides for the licensing of wholesalers.

Page 3, Lines 24 and 25 and Page 4, Lines 1 through 7 - Provides that a person may not sell more than three motor vehicles per year that are not titled in the seller's name without being licensed as a motor vehicle dealer or as a wholesaler. Also, licensed wholesalers are restricted to the use of demonstrator plates and shall not be issued dealer plates.

Page 4, Lines 10 through 12 - Authorizes a representative of the department of justice to verify information contained in a dealer or wholesaler license application. Under the current statutes only the highway patrol can verify this information.

Page 6, Lines 3 and 4 - Provides for the use of "RV" plates for recreational vehicle dealers. "RV" dealers were authorized in 1985 but the statute was not amended to include the use of "RV" plates.

Page 6, Lines 7 and 8 - Authorizes the use of demonstrator plates by licensed wholesalers.

Page 6, Lines 15 through 23 - Requires a motor vehicle dealer to have a lot where vehicles are displayed and a building where records are kept. A wholesaler is not required to have a lot but must have a non-residential building or office where records are kept.

Page 7, Lines 7 through 14 - If two or more dealers or wholesalers share a location their records, office facilities and inventory must be kept separated. Each must display a sign readable from a minimum distance of 150 feet.

Section 2 (continued)

Page 8, Lines 1 through 11 - Increases the amount of a dealer bond from \$5,000 to \$25,000 for new vehicle dealers, used vehicle dealers and recreational vehicle dealers. The \$25,000 bond also applies to trailer dealers who sell special mobile equipment, commercial trailers exceeding 6,000 GVW, mobile homes and house trailers. Trailer dealers who sell trailers not exceeding 6,000 GVW and motorcycle dealers shall file a bond in the amount of \$10,000. Wholesalers of the same types of vehicles are also subject to the respective bond amounts.

Page 8, Subsection (b) beginning on Line 16 - Under current statutes a bond claimant who obtained a judgement against a dealer would collect the judgement from the state and the state would have to collect on the bond. The new language would enable the bond claimant to collect directly from the bonding company.

Section 3 Page 9, Line 14 through 16 - Added language that the department may refuse to issue a dealer or wholesaler license as allowed by law. Under current statutes it is questionable if the department can refuse a license even though an applicant may have been convicted of a previous motor vehicle related crime.

Page 10, Lines 11 through 25 - New language provides for the issuance of demonstrator plates to wholesalers which shall be distinguished from dealer demonstrator plates; and a license fee of \$30 for wholesalers.

Page 11, Lines 12 through 23 - The new language allows a dealer to conduct off-premise sales 5 times a year by giving the department a 10-day notice. Sales are limited to 6 consecutive days. Current statutes do not allow off-premise sales.

Page 11, Beginning on Line 24 - New language in subsection (5) will require a new applicant for a wholesaler's license to pay \$300 in addition to the license fee of \$30. If the wholesaler has not sold more than 5 vehicles during the preceding year the \$300 must be paid again to renew the wholesaler license.

Section 4 Page 15, Lines 5 and 6 - A wholesaler may sell vehicles only to licensed dealers. They cannot conduct retail sales.

Page 15, Line 25 and Page 16, Lines 1 through 4 - Wholesaler demonstrator plates shall be clearly marked to separate them from dealer plates.

Page 17, Lines 4 through 8 - Provides for clear violations of the dealer licensing laws which would be cause for revocation of a dealer or wholesaler license.

Section 5 Page 18, Lines 15 through 24 - When a dealer or a wholesaler receives a title from a customer the name of the dealer or wholesaler must be entered in the purchaser's section of the assignment. When the dealer or wholesaler sells a vehicle, their customer's name must be entered in the assignment section of the title. All records must be kept on file in the building at the location where the dealer or wholesaler is licensed.

Section 6 Page 19, Beginning on Line 4 - Adds wholesalers and auto auctions to the penalty provisions for violations of the sections covering applications for a license, applying for and the use of dealer/demonstrator plates and keeping records.

Section 7 Page 20, Beginning on Line 1 - Adds wholesalers as a licensee required to file a change of ownership with the department.

Section 8 Page 20, Lines 20 through 25 - Increases the penalty for dealer permit violations and failure to provide titling documents from a minimum of \$25 to \$250 and a maximum from \$100 to \$500.

Section 9 Page 21, Beginning on Line 1 - Defines a wholesaler. A wholesaler may sell only to dealers and auto auctions.

Section 10 Page 21, Beginning on Line 10 - General regulations providing for the licensing of auto auctions and restricting sales to licensed dealers, wholesalers and wrecking facilities. Licensing procedures and regulations governing the conduct of the business are similar to those required of motor vehicle dealers. Notable exceptions are as follows:

*cannot
sell to public*

Page 22, Beginning on Line 13 - An auto auction may offer for sale all types of vehicles. They may offer new vehicles for sale only when authorized by a manufacturer, importer or distributor who holds a Montana Manufacturer's License. New vehicles may be sold only to new motor vehicle dealers who may purchase only the line-makes for which they are franchised.

Page 23, Line 7 - An auto auction must provide a bond in the amount of \$25,000.

Page 23, Line 17 through 19 - A first-time applicant must pay a \$500 fee. The license renewal fee is \$100.

Page 24, Line 1 through 19 - Auto auctions may issue 72-hour permits to buyers for the purpose of transporting vehicles to a point of destination. A \$10 fee must be paid to the department for each permit and the auto auction may recover the cost from the buyer.

dealers

Section 10 (continued)

Page 24, Beginning on Line 20 - Special license plates may be issued to auto auctions to transport vehicles to and from their place of business. The plates may be used for road testing, repairing and refurbishing. The license plates may be assigned to facilities with whom the auto auction contracts to service and repair vehicles consigned to the auction. The auto auction must report to the department the persons authorized to use the plates. The plates may not be used for personal purposes. The department may revoke an auto auction's permit and plate privileges for violation of this section.

Page 26, Beginning on Line 16 and ending on Page 27, Line 10 - An auto auction is not considered as an owner in the chain of ownership. They shall show their involvement in the sale by stamping their name and license number in the assignment section executed by the selling and buying dealer. If there is no place available for the stamp, a copy of the auction invoice may be attached to the title.

Page 27, Line 11 through 25 - The provisions for record retention are those mandated by the federal government.

Section 11 Lines 6 through 9 - A dealer who issues more than one permit per vehicle sale may have the permit privileges revoked for a period of time determined by the department.

Section 12 Page 28, Line 10 through 15 - Code Commissioner instructions to add "wholesalers" to relevant sections.

Section 13 Codification instructions.

TESTIMONY ON SB 433
STEVE TURKIEWICZ
MONTANA AUTO DEALERS ASSOCIATION
MARCH 13, 1991

Historically, certain auto dealers within specific geographic market areas have elected to establish, usually with cooperation with the manufacturer, what is known in the trade as advertising associations or "funds". The associations were under control of its member dealers and participation or contribution was at the discretion of each dealer.

Typically members of the voluntary ad associations would by vote of the membership, assess each member a designated amount per vehicle and the proceeds would be used by the associations for product advertising and other promotional activities within the geographic area of the association's membership. Also, the manufacturer would collect the assessments in the individual dealer's invoices and forward the funds collected to the associations for use by the member dealers.

About three or four years ago the domestic manufacturers informed the dealers, the manufacturers would be unilaterally adding to the invoice price of virtually every vehicle delivered to them a percentage of the suggested retail price of the vehicle and the amount collect by the manufacturer will be paid to the manufacturer's approved advertising association or if a dealer is not a member of an advertising association and elects not to join an association, the amount collected would be contributed to an advertising association selected by the manufacturer. The charge per vehicle collected is in addition to amounts the association members may have voluntarily assessed themselves and the manufacturer was already collecting from association members.

In order to coerce dealers to join an advertising association, manufacturers unilaterally decreed members of the approved association would, under certain circumstances, specified by the manufacturer, receive a refund of up to 25% of the percentage collected by the manufacturer. Dealers who fail or refuse to join the association are ineligible under any circumstances to receive a refund of any portion of the collection from the dealer.

Sb 433 proposes to add to existing law that limits coercive actions by the manufacturers, the mandatory financial participation in ad councils. SB 433 is simple bill that returns to the individual dealer the right and discretion to determine the amount and the methods the dealer will use for advertising the product and service offered to the public.

The Montana Auto Dealer Associations asks your help in this area by recommending a "DO PASS" on SB 433.

Amendments to Senate Bill No. 232
Third Reading Copy (Blue)
Requested by the Department of Justice

Prepared by Peter Funk
March 11, 1991

1. Title, lines 13 through 14.

Following: "FEE;" on line 13

Strike: remainder of line 13 through "VEHICLES;" on line 14

2. Page 12, lines 21 through 24.

Following: "\$500." on line 21

Strike: remainder of line 21 through "certificate." on line 24

Amendment to ^{S.B.}~~H.B.~~ 232

Prepared for the House Business and Economic Development Committee

Section 5, page 15

Line 20 delete: Authorized representatives of the department of justice may report violations of this part to the department.

insert: NEW SECTION. Section 75-10-541, MCA is amended to read: "75-10-541. Injunction -- action to collect civil penalty. (1) The department, through the attorney general or the county attorney of the county in which a facility is located, may sue to enjoin the operation or maintenance of a motor vehicle wrecking facility or graveyard either permanently or until compliance with this part, the rules of the department, or an order issued pursuant to this part has been demonstrated.

(2) The department, through the attorney general or the county attorney of the county in which a facility is located, may sue in district court to collect a civil penalty as provided in 75-10-542.

(3) The Department of Justice, through the attorney general or the county attorney of the county in which a facility is located, may sue in district court to collect a civil penalty as provided in 75-10-542 for violations to 75-10-512 and 75-10-513 (2)."

PROPOSED AMENDMENTS TO SENATE BILL NO. 53

1. Title, line 8.
Following: "GAMES"
Insert: "; AND LEGALIZING THE DICE GAME COMMONLY KNOWN AS SHAKE-A-DAY"
2. Page 1, line 12.
Following: "game"
Insert: "or in a shake-a-day game"
3. Page 1, line 14.
Following: "÷"
Insert: ":"
4. Page 1, line 15.
Following: "{a}"
Insert: "(a)"
5. Page 1, line 21.
Strike: "÷"
Insert: "; or"
6. Page 2, line 11.
Following: "÷"
Insert: "(b) play the dice game commonly known as shake-a-day, in which a customer may once each day pay an amount of money predetermined by the establishment, but not more than 50 cents, and shake a number of dice predetermined by the establishment in an attempt to roll a certain combination simulating a poker hand predetermined by the establishment and, if the combination is rolled, win all money paid to play the game since the last winning combination was rolled. The establishment may, before a game begins, limit the amount that will be won and use the remaining money played on that game to start the pot for the next game, thus enhancing the incentive to play the next game in the early stages of the next game. All money paid to play games must be paid out as winnings."

3/13/98
HB Econ Rev

Greater Richland County Economic Development Corp.-1991 Action Plan

ACTIVITY	RESPONSIBILITY	COMPLETION DATE
<u>BUSINESS EXPANSION/RETENTION</u>		
Begin retention team visits; utilize results from marketing survey	Businss retention team; George Swenson, chairman	Ongoing
Sponsor business management seminar	Bus. Environment committee	1st quarter, 1991
Continue to develop downtown theme and promote use of 8.9% loan money and professional expertise available through Great Plains Supply	Downtown development committee	Ongoing
Write technical assistance grant for safflower bottling/birdseed processing facility; also determine how to incorporate Dr. Jerry Bergman's new varieties and technology locally	Chuck Crowell, Lynnette Hintze	1st quarter, 1991
<u>BUSINESS RECRUITMENT</u>		
Form recruitment committee to handle all bonafide business leads; Utilize county video for recruitment purposes	GRCEDC Chairman & Board	1st quarter, 1991
Update business contact brochure for Richland County	Lynnette Hintze	1st quarter, 1991
Develop plan to target telemarketing firms which could operate with rural computer centers; monitor U.S. West's modernization progress; make contact with Mid-Rivers Telephone Co. as to what they could offer us	Recruitment and infrastructure committee	3rd quarter, 1991
Presentation on ethanol plant for Richland County	Jerry Prouse, Amer. Coalition for Ethanol, Shepherd, MT	1st quarter, 1991
<u>PUBLIC FACILITIES</u>		
Write block grant to renovate Hotel Albert into senior living complex	Lynnette Hintze	Oct. 1, 1991
Address downtown parking problems; form viable alternatives	Downtown development committee	2nd quarter, 1991
Support installation of traffic light at West Holly and North Central	Infrastructure committee	As opportunity arises
Study feasibility of construction of improved truck by-pass in Sidney	Infrastructure committee	4th quarter, 1991
Submit proposal for women's prison at or near Sidney	Executive committee; L. Hintze and P. Waber	1st quarter, 1991

ACTIVITY	RESPONSIBILITY	COMPLETION DATE
<u>EDUCATION</u>		
Grantwriting workshop	Lynnette Hintze	Feb. 1, 1991
Work with adult ed. and Dawson College coordinators to tailor classes to business community	Human Resources committee	Prior to spring quarter classes, 1991
Monitor progress of US West modernization; fiber optics link for area schools	Infrastructure committee	1st quarter, 1991
<u>TRANSPORTATION</u>		
Monitor Big Sky air fares and joint fare agreements; also promote use of local airline	Air transportation committee	Ongoing
Feasibility study for regional airport	Air trans/trade center committees	3rd quarter, 1991
Propose Hwy. 16 as north-south interstate highway connecting Canada and U.S.	Trade Center Committee	1st quarter, 1991
Actively participate in public hearings and meetings regarding federal highway funding for Montana	GRCEDC board members as needed	Ongoing
<u>QUALITY OF LIFE</u>		
Complete feasibility study for Lone Tree Park	Quality of Life committee	2nd quarter, 1991
Inventory vacant lots and buildings	Lynnette Hintze (for recertification purposes) & infrastructure comm.	3rd quarter, 1991
Consider cooperative expansion of Centre Theatre in Sidney for dual use as a community theatre	Quality of Life committee	4th quarter, 1991
Firm up site for new shooting range	John Mercer	2nd quarter, 1991
Develop a plant-a-tree program	Quality of life Committee	Coincide kick-off with Earth Day in spring, 1991
Continue work on local history project to give tourists quick access to sites of interest	Quality of life Committee and MonDak Heritage Center personnel & volunteers	Ongoing
Study feasibility of Youth Camp at Crane	Phil Waber, L. Hintze, G. Swenson from OEDP committee	3rd quarter, 1991

3/13/91

Econ Rev

ACTIVITY	RESPONSIBILITY	COMPLETION DATE
<u>ACCESS TO CAPITAL</u>		
Formation of Tax Increment Finance District (TIFID)	Access to Capital committee	3rd quarter, 1991
Formation of a Montana Capital Company	Access to Capital committee	4th quarter, 1991
Define, catalog, describe and disseminate information on sources of capital	Access to Capital committee; Lynnette Hintze	2nd quarter, 1991
Develop a community financial panel that will guide capital access, pursue new capital sources and promote capital generation	GRCEDC Board and Access committee	1st quarter, 1991
Maintain a resource group which will interact with the local business community	GRCEDC Board	1st quarter, 1991
<u>LEGISLATIVE AFFAIRS</u>		
Have Community Action Agreements compiled and ready to draw upon as 1991 session begins	L. Hintze	January, 1991
Monitor bills which are directly related to business climate and economic development	Leg. Affairs committee	Legislative session, 1991
Develop network of "contacts" at state capital to use as resource persons	GRCEDC Board and Leg. Affairs committee	Legislative session, 1991
Work with Eastern Plains RC&D in developing eastern Montana coalition to participate in legislative session	C. Oraw, T. Barone, L. Hintze	1st quarter, 1991
<u>HUMAN RESOURCES</u>		
Continue to get more people involved in GRCEDC to spread the work load	GRCEDC Board	Ongoing
Work with Job Service to improve information access to business owners	Human Resources committee	Ongoing
<u>PUBLIC RELATIONS/COMMUNICATIONS</u>		
Subscribe to at least one on-line program such as Big Sky Telegraph or State Commerce Dept. database	L. Hintze	1st quarter, 1991
Publicize GRCEDC projects and events as needed; continue quarterly newsletter	L. Hintze	Ongoing

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

BILL NO. HB 905

DATE MARCH 13, 1991 SPONSOR(S) REP. DOROTHY BRADLEY

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Ed Zaidlicz 724 Park Lane Billings 59102	State Parks Futures Comm	905		X
JOE SCHWAB - ROZEMAN	Legacy Legislature	905		X
Jim Smith	MRCCA	905		✓
Nowell Anderson	DOC	905	—	—
Gordon Morris	MAC	905		✓
Tony Schioma	Mont. Wildlife Fed	905		✓
Davis L. Toppin	Comm of Hixen Ed	905		✓
KEN DUNHAM	MT Contractors' Assoc	905		X
Don Judge	MT STATE AFL-CIO	905		X
Gene Fenderson	MT STATE Bldg & Const. Trades	905		X
Jim Jensen	MEIC	905		✓
Bill Buck Boles	Mont Chamber	905		X
Myron Watson	State Senator	905		X

MARGARET KOCHMAN State Parks Future 905 X
 PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
 ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Kay Foster

Billings Chamber

X

Lynette Hintze

Greater Billings Co

905

✓

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

BILL NO. SB 433

DATE MARCH 13, 1991 SPONSOR(S) SEN. TOM BECK

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Steve Turkiewicz	Mt. Auto Dealers Assn	433		✓

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HOUSE OF REPRESENTATIVES

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BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

BILL NO. SB 323

DATE MARCH 13, 1991 SPONSOR(S) SEN. TOM BECK

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NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
DARYLL (BUD) SCHWEN	DOS- MV DIVISION	323		✓
Steve Turkiewicz	Mt. Auto Dealer Assn	323		✓
MARGAR				
Stuart Daggert	MT Manufactured Housing + RV Association	323		✓

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