

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN NORM WALLIN**, on March 11, 1993, at 3:00 p.m.

ROLL CALL

Members Present:

Rep. Norm Wallin, Chairman (R)
Rep. Ray Brandewie, Vice Chairman (R)
Rep. Ellen Bergman (R)
Rep. John Bohlinger (R)
Rep. Dave Brown (D)
Rep. Tim Dowell (D)
Rep. Dave Ewer (D)
Rep. Stella Jean Hansen (D)
Rep. Jack Herron (R)
Rep. Ed McCaffree (D)
Rep. Sheila Rice (D)
Rep. Tim Sayles (R)
Rep. Liz Smith (R)
Rep. Randy Vogel (R)
Rep. Diane Wyatt (D)

Members Excused: Rep. Karyl Winslow (R)

Members Absent: None

Staff Present: Bart Campbell, Legislative Council
Pat Bennett, Committee Secretary

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

Committee Business Summary:

Hearing: SB 139, SB 244, SB 112, SB 49, SB 103
Executive Action: SB 103, SB 139, SB 244

HEARING ON SENATE BILL 139

Opening Statement by Sponsor:

SENATOR TOM TOWE, SD 46, Billings, introduced SB 139 as a bill which deals with investments made by a public body. Under current law investments may be made in direct obligations of the U.S. government or securities issued by agencies of the United States. He explained that the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA) were agencies of the United States. These are the companies who would float a bond issue which would be guaranteed

by the United States. The money would then be used for home loans. At the present time, FNMA and GNMA are no longer agencies of the United States. Technically, local governments are not allowed to invest in a FMHA or GNMA. Lines 18 & 19 of SB 139 will change the requirement so that if the securities are guaranteed by the United States but not issued by an agency of the United States, it would be acceptable. The second change the bill would accomplish addresses mutual funds. At the present time investment houses have devised a new investment method. They have mutual funds which themselves are limited. Generally these mutual funds are considered safe investments. He stated these should also be allowed for investment by public funds. SEN. TOWE recommended amending lines 18 & 24 of the bill by putting a comma after "guaranteed" and after "issued" to help clarify the language.

Proponents' Testimony:

Gordon Morris, Executive Director, Montana Association of Counties (MACo), testified in support of SB 139 and also SEN. TOWE'S recommended amendment. The amendment will clarify that they are only addressing investments guaranteed by the United States government. He submitted the cover page from a 1981 attorney general's opinion for reference. EXHIBIT 1

Opponents' Testimony: None

Questions From Committee Members and Responses:

REP. EWER asked SEN. TOWE who controls the agent issuing the mutual funds. He noted that, though mutual funds are usually issued by reputable firms, there is nothing in the statute which requires a mutual fund to be purchased from only reputable firms.

SEN. TOWE said that with regard to mutual funds you do not receive the guaranteed security. If a company goes under, the purchaser could lose. However, on line 20 the security is "mutual funds that invest only in: (i) government obligations; (ii) securities issued by agencies of the United States." This is considered safe in the investment world. The comptroller of the currency is signed off as a safe investment for banks.

REP. EWER commented that in the area of investments you have a risk of volatility. There have been circumstances where local governments have made investments in GNMA's and lost money. SEN. TOWE said that was correct and that he could give examples and citations of specific instances where an institution could lose money by not realizing that volatility and interest rates can cause financial difficulty. SEN. TOWE said he would suggest that the committee give some credit to local government officials for at least understanding something about investments.

REP. BOHLINGER asked SEN. TOWE if he considered this instrument to be a greater risk than an obligation issued directly by the

federal government. SEN. TOWE said he agreed that it is a greater risk.

REP. BOHLINGER asked if there is a greater return on that type of investment. SEN. TOWE replied yes, possibly as much as 1 1/2%.

Closing by Sponsor: SEN. TOWE closed on SB 139, thanking the committee members for their time and attention.

HEARING ON SENATE BILL 244

Opening Statement by Sponsor:

SEN. ETHEL HARDING, SD 25, Polson, opened the hearing on SB 244 stating it would allow a community based facility for the developmentally disabled to be able to get tax exempt bonds.

Proponents' Testimony:

Brodie Moll, Executive Director, Mission Mountain Enterprises (MME), stated MME is a community based program providing services to those with developmental disabilities in Lake County. He said they also provide services such as group homes, work activity centers, transportation, supported living, community job placement, etc. Mr. Moll said MME wants to be included among facilities that could be constructed and financed under industrial revenue bonds. There are four group homes in Lake County who have used a variety of funding mechanisms. A new group home was recently built and they are still looking for long-term financing. They currently have a five-year loan with Security State Bank in Polson at 8%. All programs in Montana could benefit from this funding mechanism.

Jerry Hoover, Administrator, Montana Health Facility Authority, of the Department of Commerce, said the Authority has issued approximately \$10 million in tax-exempt bonds for facilities of this nature during the last five years. The reason for the bill is in order to be able to issue bonds through the Health Facility Authority there must be a bond issue of approximately \$5 million to make it economically efficient. These types of facilities usually borrow from \$50,000 to \$250,000 each and as a result the Authority usually must aggregate quite a number of facilities in order to bring them under the \$5 million proposal. Often times these community providers must delay the projects or residents are required to live in homes that are substandard. There has been quite a move by the legislature in past years to move the people who used to reside in larger state facilities down to the smaller community facilities. The statute is discretionary, leaving it up to the counties to decide whether or not to issue revenue bonds to finance these projects.

Gordon Morris, Executive Director, Montana Association of Counties, (MACo), testified in support of SB 244, saying it would

give counties another option. Even though they are revenue bonds, they do constitute a limited obligation on the part of the county which the commissioners are very aware of.

Mike Hanshaw, Administrator, Developmental Disabilities Division, Department of Social and Rehabilitation Services, testified in support explaining they contract with private nonprofit organizations who provide community based services. SB 244 will provide another mechanism for low cost financing.

Opponents' Testimony: None

Questions From Committee Members and Responses:

REP. BOHLINGER asked Mr. Hoover how long it takes to accumulate enough proposals for \$5 million worth of bonds. Mr. Hoover said it usually takes two years, depending on the initiative of the executive branch for having funds available or if the corporations have the equity required to replace the homes.

REP. BOHLINGER noted that two years is a long time to wait and asked if there was any way of speeding up the process. Mr. Hoover said SB 244 would assist in speeding up the process.

REP. BOHLINGER asked for some information regarding the revenue stream which would be used to service these obligations. Mr. Moll explained that residents of these home are all on social security due to disabilities. Mortgages are financed by the rent paid by residents from their social security money.

REP. McCAFFREE asked Mr. Morris if the language stricken on line 23 already allows for what is being asked for on lines 24 & 25. Mr. Morris pointed out that the language on line 23 was in the initial version of the bill when it was introduced in the Senate. Testimony given during the hearing in the Senate led to the conclusion that to further clarify the bill it would be better to refer to community based facilities as they are here in the new language.

CHAIRMAN WALLIN asked what margin they work on and what they can save a local facility. Mr. Hoover said the Authority normally charges five-eighths of a point for its fee. The overall cost usually runs 5 to 6% of the parameter of bonds issued, but with this legislation it could drop to half that percentage amount.

REP. VOGEL asked if their vacancy rate is such that there is always a waiting line to get in. Mr. Brody replied there is a waiting list of several hundred people. The new home is a six bed facility and there were 80 applicants, demonstrating there is definitely a need.

REP. EWER asked if there is a public hearing required for the issuance of these revenue bonds. Mr. Hoover replied yes.

REP. EWER noted that disclosure is not addressed in the bill. He said his concern is that local governments who no longer issue revenue bonds also understand that it is not as simple as going to a bank to buy a bond. Mr. Hoover explained that the Authority has established a strong relationship with the Department of Social and Rehabilitative Services and also with the community providers. He stated the Authority intends to stay involved with these issues as a financial advisor and consultant to counties and the providers.

Closing by Sponsor:

SEN. HARDING closed the hearing on SB 244, stating that REP. EWER would carry the bill.

HEARING ON SENATE BILL 112

Opening Statement by Sponsor:

SEN. ETHEL HARDING, SD 25, Polson, introduced SB 112 which is a constitutional amendment that will enable county commissioners to combine certain offices only upon approval of the electorate. She explained that she was a clerk and recorder for years. There has been concern expressed among elected officials that services will be combined. Elected officials know the business of their particular office and therefore, it is not good to combine two of the largest offices. SEN. HARDING said she could never understand the clerk and recorder's office being combined with the treasurer's office since each provides checks and balances for the other.

Proponents' Testimony:

Merrill Klundt, Yellowstone County Clerk and Recorder, testified in support of SB 112. EXHIBIT 2

Susan Haverfield, Flathead County Clerk and Recorder, testified in support of SB 112. EXHIBITS 3 and 4

Shelley Cheney, Gallatin County Clerk and Recorder/Surveyor testified in support of SB 112. EXHIBIT 5

Betty Lund, Clerk and Recorder/County Superintendent of Schools for Ravalli County, testified in favor of SB 112. EXHIBIT 6 She also submitted written testimony from other Ravalli County employees. EXHIBITS 7, 8 and 9

Kim Harris, Lewis and Clark County Clerk and Recorder/Treasurer, testified that when you consider consolidation of major offices in larger counties you need to also consider whether or not it is the answer to too much government. She said with the Lewis and Clark consolidated office she found herself sending out tax notices one day, and the next day conducting the presidential

election. She stated that if the purpose of consolidation is to save money and eliminate duplication, that purpose has not been met.

Written testimony in support of SB 112 was submitted from Lake County and Fallon County. EXHIBITS 10 & 11

Horace Brown, Missoula County Surveyor, testified in support of SB 112.

Cort Harrington, Montana County Treasurer's Association, testified in support of SB 112. He also acknowledged that Kevan Bryan, Yellowstone County Treasurer wished to be recorded as a proponent.

Joe Tropila, Cascade County Clerk and Recorder, testified in support of SB 112.

Opponents' Testimony:

Gordon Morris, Executive Director, Montana Association of Counties (MACo) testified in opposition to SB 112.

Questions From Committee Members and Responses:

REP. VOGEL asked Mr. Morris why MACo opposes SB 112. Mr. Morris replied by saying that MACo has a longstanding opposition to any legislative enactment which would establish a referenda where discretionary authority currently exists for the county commissioners. He informed the Committee that MACo opposed this same type of bill in past sessions.

REP. BERGMAN asked Mr. Morris why county commissioners object. Mr. Morris replied that under current law commissioners have discretionary authority to go through a hearing process to determine whether consolidation would be in the best interest of the community. There have only been a few instances where it resulted in repercussions.

REP. BERGMAN asked Mr. Morris if county employees are supporting the bill because they believe they would receive fairer treatment from the general public than they would county commissioners. Mr. Morris replied that county commissioners have done consolidations which were supported by the public. The proponents are viewing this as a means whereby commissioners could interfere with current elected positions, which is not the case.

REP. BERGMAN asked Mr. Klundt if he felt the public would give a better break or whether county commissioners are making decisions from a personal point of view. Mr. Klundt responding by saying that REP. BERGMAN made a good point, especially since that is what he saw in Yellowstone County. There was a large turnout for the hearing with no one supporting consolidation and yet the county commissioners did it anyway.

REP. HERRON asked Mr. Morris if SB 112 would be setting a precedent where consolidation is concerned. Mr. Morris replied yes, in a sense. However, the result would be that the legislature is attempting to micro-manage county government when it could be best managed by local officials working with public input.

REP. McCAFFREE asked Mr. Klundt how many clerk and recorder offices have been consolidated with treasurer's offices in the state. He also asked if Mr. Klundt felt these were the two most important offices in local government. Mr. Klundt replied that these two positions have been consolidated in both Missoula and Lewis & Clark Counties. He also said that he could not understand the consolidation since the office are a check and balance of each other.

REP. SMITH asked Mr. Morris how much cost containment there has been with the consolidation of clerk and recorder with the treasurer. Mr. Morris said the consolidation is not done for financial savings because you do not end up saving money. When the offices and duties are consolidated the result could well be contracting out responsibilities the clerk and recorder cannot perform. Consolidation is being done for management reasons.

REP. SMITH asked Mr. Klundt to comment on consolidation being more efficient management. Mr. Klundt replied he did not understand why anyone would think it would be more efficient due to the fact that there are state statutes mandating what each office's duties are and there is a conflict with those statutes.

Closing by Sponsor:

SEN. HARDING closed the hearing on SB 112, saying REP. DAVIS would be willing to carry the bill.

HEARING ON SENATE BILL 49

Opening Statement by Sponsor:

SEN. DON BIANCHI, SD 39, Belgrade, introduced SB 49 as a means of clarifying the definition of a county road. There are three classifications of public roads in Montana: state highways, city streets, and other public roads. Other public roads are administered by the counties and are sometimes roads the public has been using for years but may not technically be considered county roads. Many of these roads are used for access to public lands but may go through a ranch where the owner has allowed the use of the road. When the time comes the ranch is sold and the new owner reviews county records regarding roads and finds this access road is not shown, he may put up a gate and not allow access. Often times, when this happens, there is an objection and the county commissioners are not sure how to handle it. In every instance where sportsmen groups have filed court cases,

they have won. It is a difficult and expensive process to go through. SB 49 will clarify that a county road created by petition, common law and prescription is really a county road.

Proponents' Testimony: None

Opponents' Testimony:

Horace Brown, Missoula County Surveyor, testified against SB 49. EXHIBITS 12 and 13

Walter Steingruber, Agriculture Preservation Association, testified in opposition to SB 49. EXHIBIT 14

REP. RAY BRANDEWIE, HD 49, Bigfork, testified in opposition to SB 49. He informed the Committee that Lake County adopted a resolution not to accept any new county roads which are not built to county standards. If you start allowing roads with a prescriptive right of use, the roads will not have a 60 foot right-of-way or county grades and to call it a county road would put the onus on the county. The prescriptive right roads referred to in SB 49 cannot be made county roads because they do not meet county standards.

Lorna Frank, Montana Farm Bureau, testified in opposition to SB 49 saying that the present system works well and the bill is not needed.

John Bloomquist, Montana Stockgrowers Association, testified against SB 49. EXHIBIT 15

Informational Testimony:

Gordon Morris, Executive Director, Montana Association of Counties, (MACo), expressed concern about the language stricken on page 2, line 17 and on page 3, line 16 and suggested the reinsertion of that language. The language refers to an 1866 federal statute granting counties and other public entities the right-of-way over land otherwise closed to the public. It was repealed in 1977.

Questions From Committee Members and Responses:

REP. BROWN asked SEN. BIANCHI for a response to REP. BRANDEWIE'S testimony regarding prescriptive right roads.

SEN. BIANCHI said this legislation is not creating new roads, it addresses existing roads which have become county or public roads through prescriptive rights and the county is responsible for those. The county has to accept them before being responsible for them.

REP. BROWN asked SEN. BIANCHI for the reason SEN. GROSFIELD deleting the language referring to 1866 federal statutes. SEN.

BIANCHI replied that there are many public roads which were established under that language. Under existing statute any public road, regardless of how it was created, is a public road and under control of the county. Many of these roads go through some farmer's haystack. SB 49 will clarify that the counties should take responsibility and abandon them if necessary.

REP. BROWN asked SEN. BIANCHI if there is anything to prevent the county from saying they do not want to accept a road. SEN. BIANCHI said the county could go through an abandonment process.

REP. EWER informed SEN. BIANCHI that SB 49 had been labelled an access bill and asked if it addresses roads which have been used and maintained or if the bill would actually open up access to ruts in a field.

SEN. BIANCHI replied that where the rub is with the public is not two ruts in a field but when a road which the public has been using for many years is suddenly blocked off.

REP. McCAFFREE asked SEN. BIANCHI if he was referring to county and public roads for which a gas tax is collected. SEN. BIANCHI said current law states that any public road is the responsibility of the county; whether they are called public roads or county roads does not matter. He said a gas tax is collected on some of these roads and yet the county is not maintaining them.

REP. McCAFFREE also asked Mr. Morris to respond to his previous question. Mr. Morris said there is a difference between public roads and county roads. A public road could be a road that goes through a subdivision, however, it is not a public road from the standpoint of being a county road because the county would not have to accept this road for maintenance. In order to be included for mileage for a gas tax allocation, it must be a county road with accepted county maintenance and therefore, maintained. The minimum requirements for maintenance is at least once a year in order to be eligible for inclusion in the calculation for the gas tax mileage.

REP. McCAFFREE asked SEN. BIANCHI if he would object to the reinsertion of the stricken language on line 17. SEN. BIANCHI replied he would not. He said there was also language regarding the district court stricken from the bill and explained that after the Senate hearing he discovered there are six elements which must be proven in order for the public to acquire an easement through public property by prescription.

REP. BRANDEWIE asked Mr. Morris if the county has not needed a road since 1866, established under U.S. Code, 43 USC 932, why are they needed now. Mr. Morris referred REP. BRANDEWIE to subsection 2 on page 2. He stated that roads created by the 1866 public law became county roads and are still county roads unless they have been abandoned.

REP. BRANDEWIE asked Mr. Morris if a group of people petitioned the court for prescriptive right to cross private property, then would it become a public road which, by definition in the bill, would therefore become a county road. Mr. Morris explained that you can create public roads through prescriptive rights simply by virtue that the roads have been used in accordance with the six elements which must be present in order for the public to acquire access. Mr. Morris clarified that it does not become a county road unless the county goes through the process of accepting the road as part of its road system.

Closing by Sponsor:

SEN. BIANCHI thanked the members for their attention and closed.

HEARING ON SENATE BILL 103

Opening Statement by Sponsor:

SEN. HARRY FRITZ, SD 28, Missoula, explained SB 103 as a bill which would return a law passed in 1977 back to its original intent. The law aimed at stipulating that, a municipal police officer in a first or second class city who was disabled on the job, would not suffer financially. It stipulated that the city would pick up the difference between any workers' compensation payment and the officer's salary. The problem is, that since 1977, workers' compensation payments have increased to \$336 per week and are not taxable. Therefore, it is now possible for an injured officer to remain on disability payments, file the "untaxed" income and end up with \$3,000 to \$4,000 more in a year. This has encouraged the disabled officer to remain on disability pay and not return to work. SB 103 would remedy the problem by saying that the cities would pick up the difference between the officer's disabled income and his net pay rather than gross pay.

Proponents' Testimony:

Gene Vukovich, City-County Manager, Anaconda-Deer Lodge County, stated the county supports SB 103 for many reasons, but foremost because several years ago this bill could have resolved an over-abuse of the workers' compensation program by some former officers. Several of the officers were making more money by being on workers' compensation than by actually working. There was no incentive for them to return to work. He indicated that, of all the worker's compensation claims, 97% were from the police department. The result of this abuse caused an incredible increase in premiums, in an amount 2.76 times what the county should have been paying. Mr. Vukovich stated they have proof of an injured officer participating in vigorous activities, and even though brought to the doctor's attention, the doctor would not release the officer until that individual stated he was 100%. The city's only option then was to forcibly retire the officers abusing the program. After three years, the county has managed

to get it workers' compensation rate back down, though the possibility of abuse still exists. He noted that an officer injured during the line of duty should not suffer any loss of benefits or pay.

Alec Hansen, Executive Director, Montana League of Cities and Towns, expressed support for SB 103 stating the bill addresses two necessary changes. First, it will protect the officer's income, but will remove the incentive for officers to remain on workers' compensation. It will also save the city and county money.

Fred Rice, Personnel EEOC Officer, Missoula, testified in support of SB 103. EXHIBIT 16

Opponents' Testimony: None

Questions From Committee Members and Responses:

REP. VOGEL asked Mr. Vukovich if, as a city manager he were injured, would he be able to collect his gross pay. Mr. Vukovich replied he would get two-thirds of his wages from workers' compensation, however, the city would not make up the difference.

REP. BROWN asked Mr. Hansen if he could tell the Committee how many officers are in this situation in Montana. Mr. Hansen said the League researched 33 indemnity claims over a 17-month period and each averaged nine weeks. He said they did not look at injury claims.

REP. BROWN asked if the bill addressed sheriffs or city police. Mr. Hansen replied the bill addressed police officers of first and second class cities. The law does not apply to counties, towns or third class cities.

Closing by Sponsor:

SENATOR FRITZ closed by informing the Committee that the Montana Police Protective Association also supports SB 103.

EXECUTIVE ACTION ON SENATE BILL 139

Discussion: REP. EWER informed the Committee he would be opposing the bill. The fact is, counties have lost money in GNMA's. There was an investment company in Missoula, selling GNMA's without fully disclosing the risks. There was also a county that had to redeem the investment early and lost a considerable amount of money. These securities are not appropriate.

REP. BROWN commented that one would have to assume that local government treasurers and others who deal with this are competent

when elected and if not, the electors will remove them. Local government needs as many options as possible to pick up extra cash.

Discussion: Mr. Campbell explained that SEN. TOWE left the language with him for an amendment. EXHIBIT 17

Motion/Vote: REP. HANSEN moved to adopt the amendment for SB 139. Motion carried unanimously. EXHIBIT 17

Motion/Vote: REP. BRANDEWIE MOVED SB 139 BE CONCURRED IN AS AMENDED. Motion carried on a 9-6 roll call vote.

EXECUTIVE ACTION ON SENATE BILL 103

Motion/Vote: REP. BRANDEWIE MOVED SB 103 BE CONCURRED IN. Motion carried 12-3 with REPS. BROWN, EWER, and VOGEL opposing.

EXECUTIVE ACTION ON SENATE BILL 244

Motion/Vote: REP. BROWN MOVED SB 244 BE CONCURRED IN. Motion carried 13-2 with REPS. WYATT and SMITH opposing.

ADJOURNMENT

Adjournment: 6:00 p.m.


NORM WALLIN, Chairman


PAT BENNETT, Secretary

NW/pb

HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT

COMMITTEE

ROLL CALL

DATE

3/11/93

NAME	PRESENT	ABSENT	EXCUSED
REP. NORM WALLIN, CHAIRMAN	✓		
REP. RAY BRANDEWIE, VICE CHAIRMAN	✓		
REP. ELLEN BERGMAN	✓		
REP. JOHN BOHLINGER	✓		
REP. DAVE BROWN	✓		
REP. TIM DOWELL	✓		
REP. DAVID EWER	✓		
REP. STELLA JEAN HANSEN	✓		
REP. JACK HERRON	✓		
REP. ED McCAFFREE	✓		
REP. SHEILA RICE	✓		
REP. TIM SAYLES	✓		
REP. LIZ SMITH	✓		
REP. RANDY VOGEL	✓		
REP. KARYL WINSLOW			✓
REP. DIANA WYATT	✓		

HOUSE STANDING COMMITTEE REPORT

March 12, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that Senate Bill 139 (third reading copy -- blue) be concurred in as amended .

Signed: *Norm Wallin*
Norm Wallin, Chair

And, that such amendments read:

Carried by: Rep. Dowell

1. Page 1, line 18 and line 24.

Following: "guaranteed"

Insert: "by the United States or by an agency of the United States"

-END-

Committee Vote:
Yes 9, No 6.

560916SC.Hpf

HOUSE STANDING COMMITTEE REPORT

March 12, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that Senate Bill 103 (third reading copy -- blue) be concurred in.

Signed: *Norm Wallin*
Norm Wallin, Chair

Carried by: Rep. Harper

Committee Vote:
Yes 12, No 3.

560908SC.Hpf

HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE

ROLL CALL VOTE

DATE 3/11/93 BILL NO. SB 139 NUMBER 9-6

MOTION: SB 139 as amended

Rep Brandewie moved SB 139 be concurred in as amended. 9-6 passed.

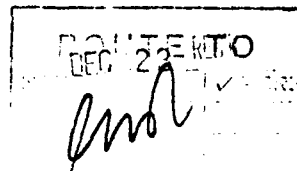
NAME	AYE	NO
REP. RAY BRANDEWIE, VICE CHAIRMAN	✓	
REP. ELLEN BERGMAN		✓
REP. JOHN BOHLINGER		✓
REP. DAVE BROWN	✓	
REP. TIM DOWELL	✓	
REP. DAVID EWER		✓
REP. STELLA JEAN HANSEN	✓	
REP. JACK HERRON	✓	
REP. ED McCAFFREE	✓	
REP. SHEILA RICE		✓
REP. TIM SAYLES	✓	
REP. LIZ SMITH		✓
REP. RANDY VOGEL	✓	
REP. KARYL WINSLOW		
REP. DIANA WYATT	✓	
REP NORM WALLIN, CHAIRMAN		✓

EXHIBIT 1

DATE 3/11/93

SB 513139

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VOLUME NO. 44

OPINION NO. 22

BANKS AND BANKING - Appropriate institutions and investments for deposit of public money by local governing bodies;
COUNTIES - Permitted types of investments for county money;
PUBLIC FUNDS - Appropriate institutions and investments for deposit of public money by local governing bodies;
SECURITIES - Permitted types of investments for county money;
MONTANA CODE ANNOTATED - Sections 7-6-202, 7-6-202(2);
OPINIONS OF THE ATTORNEY GENERAL - 42 Op. Att'y Gen. No. 25 (1987);
UNITED STATES CODE - 15 U.S.C. §§ 80a-1 to 80a-64.

HELD: Pursuant to section 7-6-202, MCA, a local government may not invest public money in a mutual fund that invests in securities guaranteed, but not issued, by agencies of the United States.

December 20, 1991

John C. McKeon
Phillips County Attorney
P.O. Box 1279
Malta MT 59538

Dear Mr. McKeon:

You have requested my opinion concerning the following question:

May public funds be invested pursuant to section 7-6-202(2), MCA, in an open-end investment company, or mutual fund, that invests primarily in mortgage-backed securities issued or guaranteed by agencies of the United States and where the fund's custodian takes delivery of the collateral?

You indicate that the Phillips County Treasurer has made investments in the Franklin Adjustable United States Government Securities Fund. The prospectus of this fund indicates that it is organized by the Franklin Investors Securities Trust which is an open-end management investment company, or mutual fund, and the fund is registered under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 to 80a-64. The prospectus and correspondence from the Franklin Trust indicate that the Adjustable United States

EXHIBIT 2
DATE 3/11/93
5B 112

County of Yellowstone

MERRILL H. KLUNDT
Clerk & Recorder



Billings, Montana 59101

March 11, 1993

Norm Wallin, Chairman
House Local Government Committee
Room 104
Capitol Building
Helena, MT 59620

Dear Chairman Wallin and Members:

Senate Bill No. 112 is a bill to amend Article XI, Section 3 of The Constitution of the State of Montana, which will require the approval of the electorate to consolidate two or more County offices. Presently, the Board of County Commissioners can consolidate two or more County offices without Voter approval. Under Article XI, Section 9 of the Montana Constitution, it provides for Voter review of local government and the legislature shall require an election in each local government to determine whether a local government will undertake a review procedure once every ten years after the first election. Approval is required by a majority of the electorate voting on the question of undertaking a local government review and if approved, Study Commission Members shall be elected and present an alternate form of government as described in Title 7, Chapter 3, Part 1 through 7 of Montana codes annotated. In these provisions Voter approval is required.

However, under Article XI, Section 3, Sub-paragraph 2, and under Section 7-4-2301 through 7-4-2313 MCA, the Board of County Commissioners can consolidate two or more County offices, which is changing the form of government, without the approval of the electorate.

I know that opponents to this bill will say it is taking the powers and rights away from the Board of County Commissioners. This bill is placing the power and rights in consolidating County offices in the hands of the electorate where it should be.

The claim that professionals should be appointed to replace elected officials so as to bring about greater efficiency is fraught with serious consequences. Efficiency is not the primary objective of government. The hallmark of free government is Justice, peace, fairness, the protection of the unprotected, and the expansion of freedom. Almost the very first acts of dictators was the abolishment of local elected officers in the name of efficiency, that efficiency almost led to the destruction of Western Civilization.

Further, to those who argue that the election of certain County department heads is an "antiquated" form of government, we say: "Yes it is antiquated." Democracy is one of the most antiquated forms of government in existence, and it is also the best form created by the fertile minds of human kind.

Usually the first words always mentioned is that consolidation saves money!!

In Yellowstone County, the office of County Coroner was consolidated with the County Sheriff. The budget for the year 1986-1987 was \$62,002 actual expenditure and the 1992-1993 budget adopted is \$163,900. This is a 264% increase in five years.

The public administrator was consolidated with the County Attorney's office. The budget for the first year went from \$250 per year to \$10,000.

Under the present statutes, the Board of County Commissioners can consolidate County offices and change the form of government without a vote of the electorate, yet under Article XI, Section 9, of the Montana Constitution a vote of the electorate is required on the question of undertaking a local government review every ten years.

The consolidation of County offices is a very important issue. The issue should be studied very carefully and thorough to see if there will be a savings to the taxpayers and that the check and balance system in government is not destroyed.

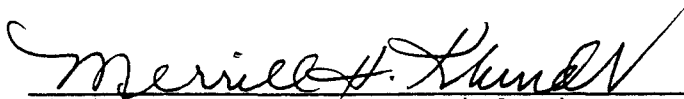
Under the present system, this is one way to remove an Elected Official from his position by consolidating offices when personalities and politics get involved.

We have the best form of government in the world and let's not destroy it. We have a government of the people, by the people, and for the people.

If we don't have the electorate involved in this very important issue, we will have a government of the people and for the people, not by the people.

Your support and passage of this bill will be greatly appreciated.

Respectfully Submitted,



Chairman, M.A.C.R. Legislative Committee
and Clerk and Recorder, Yellowstone County

County of Yellowstone



MEIRHILL M. KLUNDT
Clerk & Recorder

Billings, Montana 59101

March 11, 1993

Norm Wallin, Chairman
House Local Government Committee
Room 104
Capitol Building
Helena, MT 59620

Dear Chairman Wallin and Members:

Senate Bill No. 112 is a bill to amend Article XI, Section 3 of The Constitution of the State of Montana, which will require the approval of the electorate to consolidate two or more County offices. Presently, the Board of County Commissioners can consolidate two or more County offices without Voter approval. Under Article XI, Section 9 of the Montana Constitution, it provides for Voter review of local government and the legislature shall require an election in each local government to determine whether a local government will undertake a review procedure once every ten years after the first election. Approval is required by a majority of the electorate voting on the question of undertaking a local government review and if approved, Study Commission Members shall be elected and present an alternate form of government as described in Title 7, Chapter 3, Part 1 through 7 of Montana codes annotated. In these provisions Voter approval is required.

However, under Article XI, Section 3, Sub-paragraph 2, and under Section 7-4-2301 through 7-4-2313 MCA, the Board of County Commissioners can consolidate two or more County offices, which is changing the form of government, without the approval of the electorate.

I know that opponents to this bill will say it is taking the powers and rights away from the Board of County Commissioners. This bill is placing the power and rights in consolidating County offices in the hands of the electorate where it should be.

The claim that professionals should be appointed to replace elected officials so as to bring about greater efficiency is fraught with serious consequences. Efficiency is not the primary objective of government. The hallmark of free government is Justice, peace, fairness, the protection of the unprotected, and the expansion of freedom. Almost the very first acts of dictators was the abolishment of local elected officers in the name of efficiency, that efficiency almost led to the destruction of Western Civilization.

Further, to those who argue that the election of certain County department heads is an "antiquated" form of government, we say: "Yes it is antiquated." Democracy is one of the most antiquated forms of government in existence, and it is also the best form created by the fertile minds of human kind.

Usually the first words always mentioned is that consolidation saves money!!

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Under the present system, this is one way to remove an Elected Official from his position by consolidating offices when personalities and politics get involved.

We have the best form of government in the world and let's not destroy it. We have a government of the people, by the people, and for the people.

If we don't have the electorate involved in this very important issue, we will have a government of the people and for the people, not by the people.

Your support and passage of this bill will be greatly appreciated.

Respectfully Submitted,


Chairman, H.A.C.R. Legislative Committee
and Clerk and Recorder, Yellowstone County

EXHIBIT 4
DATE 3/11/93
L SB 112

March 11, 1993

Page 2

The Montana Association of Clerks and Recorders asks for your support of SB 112 to keep the changes in local government in the hands of the people.

Thank you for your consideration.

Sincerely,



Susan W. Haverfield

President

Montana Association of Clerks and Recorders

Flathead County Clerk and Recorder

800 So. Main Street

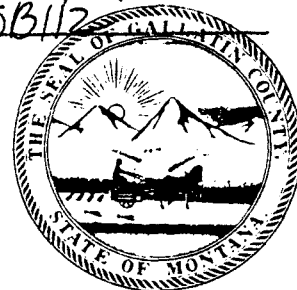
Kalispell, Montana 59901

EXHIBIT 7
DATE 3/11/93
SB SB112

State of Montana

County of Gallatin

Bozeman



Chairman Norm Wallin and Committee Members
House Local Government
Room 104
State Capitol

Re: SB 112

My name is Shelley Cheney and my official title is Gallatin County Clerk and Recorder/Surveyor.

In 1985 the Commissioners of Gallatin County consolidated the Surveyor's office with the Clerk and Recorder. I was not the Clerk and Recorder then, but did work in the office as a deputy Clerk and Recorder.

It was decided to consolidate the surveyor with the clerk and recorder because all surveys and road petitions are filed in the Clerk and Recorder's office.

The reason given to consolidate was to save money, but individuals working within the Courthouse know the consolidation was done due to conflicts between the newly appointed Surveyor and other elected officials and employees.

The Commission explained that any official survey work done by the County would be contracted to a registered land surveyor and/or professional engineer. In 1989, Gallatin County spent \$10,412.00 on contracted services, 1990 - \$23,621.00, 1991 - \$22,883.00, and 1992 - \$25,723.00. The salary of an elected county surveyor in 1992 would have been \$25,840.00.

According to 7-4-2312 (1) (a) MCA the commission shall determine a salary amount not to exceed 20% more than the higher of the two salaries to be consolidated. My commissioners determined the salary of the Clerk and Recorder/ Surveyor to be that of strictly the Clerk and Recorder which is currently \$26,925.00.

My duties as Clerk and Recorder involve recording and filing many various public documents such as deeds, mortgages, contracts, birth and death certificates, surveys, liens, etc., and I must maintain those public archives. I am clerk to the board of county commissioners and keep their journal and official minutes. I am responsible to keep a record of all financial transactions of the county and prepare the annual financial statement. I collect, compile, and assist the County Fiscal Officer in submitting all county budgets to the commission for review and approval.

As the Election Administrator I must maintain a current list of all registered voters, prepare and conduct all elections except school elections, maintain precinct boundary lines, arrange for polling places, and notify registered voters of any changes.

In both jobs I must give public notice by publishing, and sometimes posting and mailing notices of many different actions under consideration by the Commission and others within the county.

My duties as surveyor, as directed by the Commission, require me to be a member of the viewing committee whenever a petition is received to establish, alter, or abandon a county road. The committee physically views the road in question and we submit our observations in writing to the Board of County Commissioners for their considerations. On the average, I view roads 1 day each month. I am also directed, as surveyor, to be a member of the zoning commission. Gallatin County currently has 12 zoned districts and 2 more districts which are in the process of being created within the next year. In 1985, there were 8 districts. The zoning commission has set aside 2 days each month to conduct hearings and consider requests. In the months of December and January, the zoning commission had 5 full day hearings. Hearings require research, study, and preparation beforehand and I average 2 days of preparation each month in addition to the hearing. That adds up to a minimum of 5 full days each month as the County Surveyor. Personally, I am overwhelmed by the extra responsibilities of this office in addition to the responsibilities as Clerk and Recorder.

Please do not misunderstand my testimony. I am not complaining. I would rather not be the County Surveyor because I am not qualified, but I love the Clerk and Recorder's office and the duties required under that office.

I just wanted you to be aware of what one county in Montana did with the consolidation of one office. I do believe it effects public service by placing so many duties on one person who is ultimately responsible.

EXHIBIT 5
DATE 3/11/93
SB 112

I agree that in most cases the elected officials, especially the County Commissioners, have the most complete inside knowledge when considering consolidation of offices compared to the local citizen on the street. I do not agree that SB 112 is taking away the powers of the board. If consolidation is a good idea, the Commission will be making that decision to take to the people. The Commission and the elected officials involved will be able to make justified, legitimate reasons informing the voters why this will benefit the Counties.

We currently have elected officials in Gallatin County who work very well together and respect each other. That was not the case in 1985, and there is no guarantee that it will be the case in the future. Your support of SB 112 will help assure that the **people** make the choices of consolidation rather than a select few.

Respectfully submitted,

Shelley M. Cheney

Shelley M. Cheney
Clerk and Recorder/Surveyor
Gallatin County, Montana

COUNTY
OF
RAVALLI

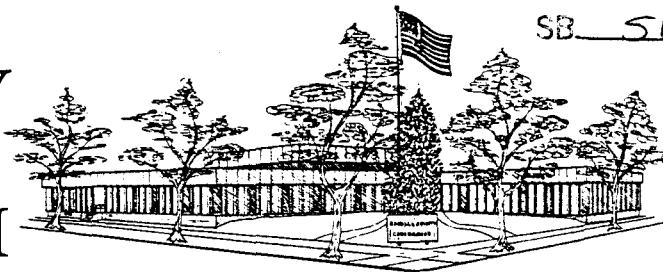


EXHIBIT 6

DATE 3/11/93

SB SB 112

STATE
OF
MONTANA


Hamilton, Montana 59840

March 11, 1993

The Honorable Norm Wallin, Chairman
House Local Government Committee
State Capitol
Helena, MT 59620

Mr. Chairman and Members of the Committee,

For the record my name is Betty T. Lund, the Ravalli County Clerk and Recorder/County Superintendent of Schools. We are here today to ask for your vote for SB 112, Consolidation of County Offices.

We feel this constitutional amendment bill is very important due to the fact that the grassroot electors are losing their say in government. We understand we are asking the voters to approve an action by the County Commissioners. In Ravalli County we have many consolidated offices. As you have heard I am the Clerk and Recorder/County Superintendent of School and have been consolidated since 1981. This consolidation did save the taxpayers money and, if this constitutional amendment was in effect today, the voters probably would have voted for it. However, in 1986 shortly before the beginning of the filing for county offices, the County Commissioners consolidated the County Auditor with the County Attorney, and the County Surveyor with the County Assessor, thus losing the valuable service of county surveyor. The County Auditor was not an elected office in Ravalli County. The County Sheriff was consolidated with the County Coronor in 1942. So as you can see, in some counties the electorate only has a few elected officials left that they can vote for and expect them to be responsive to their problems.

Today, many of the counties are looking at consolidating the office of the County Assessor with another office. This office is probably one of the more important offices of the county because it is responsible for the proper assessment which in the long run affects the taxable value of the county and the amount of money that is assessed from the taxpayer. If a county loses control of that office, they lose control of their taxing ability. He who has the gold, rules! (In this case it will be the State Department of Revenue)

COUNTY
OF
RAVALLI

March 11, 1993

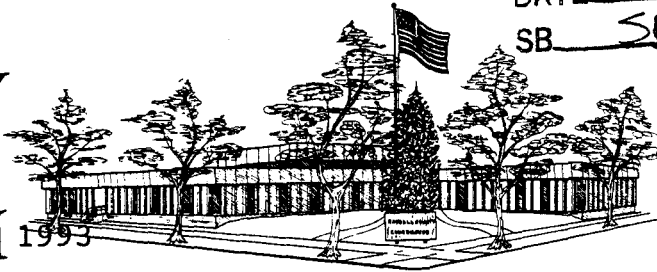


EXHIBIT 7
DATE 3/11/93
SB SB 112

STATE
OF
MONTANA


Hamilton, Montana 59840

The Honorable Norm Wallin, Chairman
House Local Government Committee
State Capitol
Helena, MT 59620

Mr. Chairman and Members of the Committee,

For the record my name is Cheryl A. Richards, the Ravalli County Assessor and County Surveyor. Unfortunately I was unable to attend this hearing of SB 112, Consolidation of County Offices.

I am a consolidated office as you can see and because I am not qualified to be a county surveyor when Ravalli County residents or other county offices such as the Clerk and Recorder have problems that require the services of a county surveyor, the problems just don't get solved. The electorate doesn't like the excuse, "Sorry I'm just a consolidated office and will not be able to help you." After 27 years of service with Ravalli County it goes against my principles to explain that I cannot help the people who are taxed to pay my salary.

The electorate is also losing their say in government. I believe the government was designed to be for the people, by the people. Not for 3 county commissioners and their decisions on how many elected official are required to operate a county. As a note about the hearing the County Commissioners held for the consolidation of offices in Dec. 1985, 100 people were in the hearing room and every one objected to the consolidation except for one. Immediately after the hearing, the Commissioners signed the resolution to consolidate and filed it with the Clerk and Recorder. Their minds were made up before going into the hearing. The electorate never had a chance.

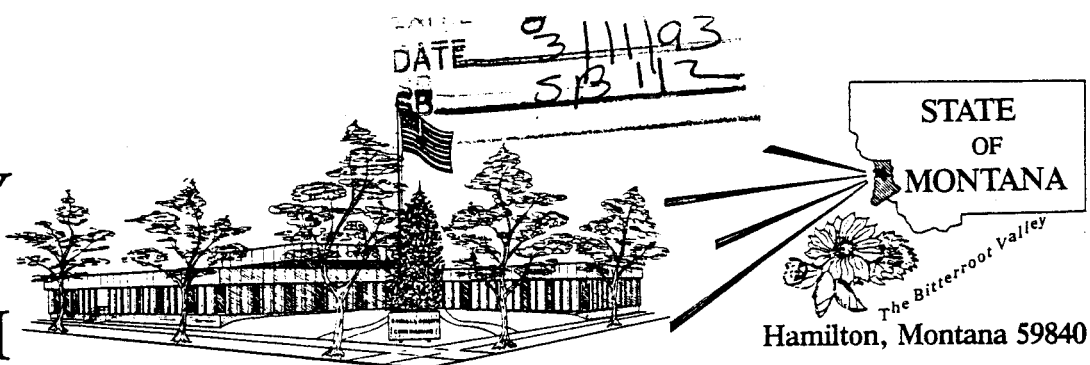
Thank you for reading this letter and please support our DO PASS for SB 112.

Sincerely,

Cheryl A. Richards

Cheryl A. Richards
Ravalli County Assessor and County Surveyor
Courthouse, Box 5004
Hamilton, MT 59840

COUNTY OF RAVALLI



March 11, 1993

The Honorable Norm Wallin, Chairman
House Local Government Committee
State Capitol
Helena, MT 59620

Mr. Chairman and Members of the Committee,

For the record my name is Debbie Harmon, the Ravalli County Clerk of the District Court. Unfortunately, I was unable to attend this hearing of SB 112, Consolidation of County Offices.

As of today I am not a consolidated office but several of my peers in other counties are. I object to the County Commissioners having the complete power to consolidate at will. Our government is strong because of the input of the electors. Without that we would indeed be a dictatorship. I realize that this constitutional amendment has to go to the vote of the people in November, 1994. Please let the people decide - allow them this final step in controlling their local governments.

Thank you for reading this letter and please support our DO PASS for SB 112.

Sincerely,

Debbie Harmon
Ravalli County Clerk of District Court
Courthouse, Box 5014
Hamilton, MT 59840

COUNTY OF RAVALLI

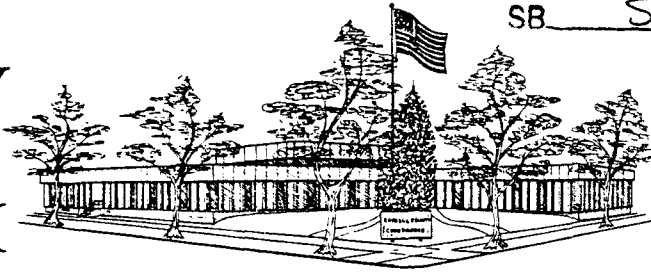
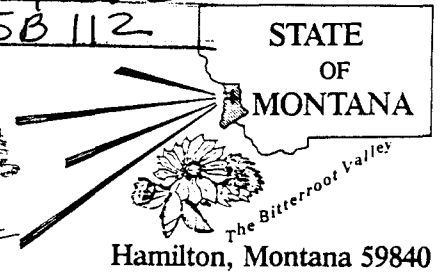


EXHIBIT 4
DATE 3/11/93
SB SB 112



March 11, 1993

The Honorable Norm Wallin, Chairman
House Local Government Committee
State Capitol
Helena, MT 59620

Mr. Chairman and Members of the Committee,

For the record my name is Mary Kay Browning, the Ravalli County Treasurer. Due to ill health, I was unable to attend this hearing of SB 112, Consolidation of County Offices.

I am not a consolidated office but feel due to the shortage of county funds the County Commissioners will be looking closely at places to save money. Our County Commissioners believe that by consolidating offices we will be able to save money. Unfortunately, that is not always the case. Lewis and Clark County is a prime example of what happens sometime during a consolidation. In Ravalli County, for the Treasurer's office to be consolidated, would require the elected official to become an administrator not a worker like we are today. So in the end it would cost more money.

I believe that the voters are losing their control of government. Consolidation should be done with the approval of the people.

Thank you for reading this letter and please support our DO PASS for SB 112.

Sincerely,

Mary Kay Browning

Mary Kay Browning
Ravalli County Treasurer
Courthouse, Box 5005
Hamilton, MT 59840

COUNTY COMMISSIONERS

MIKE W. HUTCHIN

District One

RAY HARBIN

District Two

GERALD L. NEWGARD

District Three

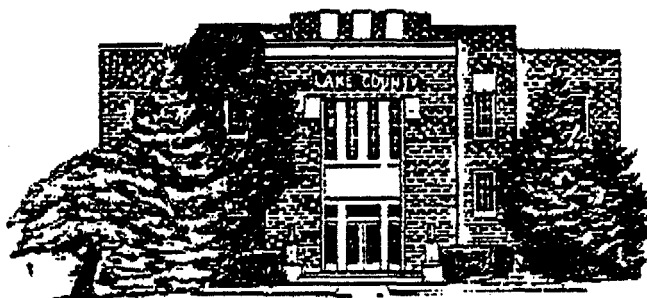
TREASURER

PATRICIA J. COOK

CLERK AND RECORDER

SURVEYOR

RUTH E. HODGES



ASSESSOR

LENORE A. ROAT

SHERIFF AND CORONER

JOE GELDRICH

CLERK OF COURT

KATHERINE E. PEDERSEN

SUPERINTENDENT OF SCHOOLS

JOYCE DECKER WEGNER

COUNTY ATTORNEY

LARRY J. NISTLER

JUSTICE OF THE PEACE

CHUCK WHITSON

LAKE COUNTY

PHONE 406/883-6211 • 106 FOURTH AVENUE EAST • POLSON, MONTANA 59860

February 2, 1993

EXHIBIT 10

DATE 3/11/93

SB 112

Senators Ethel Harding and Jeff Weldon
Local Government Committee
Montana State Senate

Honorable Senators Harding and Weldon:

As Lake County elected officials we stand in firm SUPPORT of SB112 and SB243 requiring election on the consolidation of county offices.

Currently two county commissioners could upon their discretion consolidate any two or more offices. These two bills provide a needed check and balance upon the powers of the county commissioners. However we would not oppose an amendment that would mandate commissioners seek input from county department heads combined with a public hearing prior to consolidation. In that scenario the appropriate checks would be provided and agreed upon consolidation could occur without the expense of an election.

Please enter our letter as testimony in support of SB112 and SB243 at today's Local Government Hearing.

Sincerely,

Joyce Decker Wegner
County Superintendent of Schools

Larry J. Nistler
County Attorney

Ruth E. Hodges
Clerk and Recorder/Surveyor



EXHIBIT 11
 DATE 3/11/93
 SB SB112

COMMISSIONERS
 Box 846 - Phone 778-2883
 Donald Rieger, Chairman, Imay
 Allen Rustad, Baker
 Ronald D. Shepherd, Baker

CLERK & RECORDER
 Mary Lee Dietz
 Box 846 - Phone 778-2883

COUNTY ATTORNEY
 Darrell R. Young
 Box 620 - Phone 778-2406

JUSTICE OF THE PEACE
 Charles O. Larson
 Box 206 - Phone 778-2883

ASSESSOR
 Curtis Huether
 Box 499 - Phone 778-2883

CLERK OF COURT
 Carol Wade
 Box M - Phone 778-2883

SHERIFF
 Leland Gundlach
 Box 899 - Phone 778-2879

SUPT. OF SCHOOLS
 Marlene A. Ferrel
 Box 1117 - Phone 778-2883

TREASURER
 Faye M. Koenig
 Box 787 - Phone 778-2883

FALLON COUNTY

BAKER, MONTANA 59313

March 4, 1993

House Local Government
 Room 104 House of Representatives
 State Capitol
 Helena MT 59620

Honorable Committee;

Please support SB112 to call for an election to amend the constitution to require an election to consolidate county offices.

I feel consolidation should be a choice of the people and taxpayers; not just a choice of the three County Commissioners.

Thank you for your consideration.

Sincerely,

Mary Lee Dietz

Mary Lee Dietz
 Clerk & Recorder

cc: Representative Tunby

FAX Memo		Pages <u>1</u>
Date: <u>3-4-93</u>	Time: _____	
To: <u>House Local Government Rm 104</u>		
Location: <u>Helena</u>		
FAX #: <u>1-444-4105</u>		
From: <u>Mary Lee Dietz</u>		
Location: <u>Baker</u>		
FAX#: <u>778-3431</u> Phone #: <u>778-2883</u>		

EXHIBIT 13
DATE 3/11/93
SB 49

P-293

15 14 (c) By prescription.

17 16 (d) In accordance with 43 U.S.C. 932, now repealed.

Mr. Chairman
Rep. Waller, member of the committee

EXHIBIT 13
DATE 3-11-93
SB SB 49

I am Horace Brown, Minnola County Surveyor.

Senate Bill #49, as it has been presented to your committee, could cause ^{the} County some problems on pg 2 line 15 - "By prescription, or determined by the district court, and creation of control by local authorities for example. We have ^{a lot of} ~~about 1/3 of our~~ roads in Minnola county, which are ^{county roads} by prescription. Every one of these are required to go through district court, thus this would cost the county in time and money.

pg 2 line 17 - in accordance with 43 USC (932 now repealed).

These roads are GLO roads that were dedicated to the County and the public before the land was patented. Most of these roads across Forest Service, State or BLM land. They are necessary for the public access to public land. I would like to put the committee ~~the~~
 1910 1928 1938 County maps

which show county roads on maps prepared
by County Surveyors of that vintage. These
roads are prescriptive, GLO and deeded
roads, a few are also petitioned roads. We also
have plat books for 1906-1912 - prepared by
County Surveyors and I have provided a few copies of
the pages from the plat books.

9 mile Road is a GLO Road. If you don't recognize
the 43 USC 932 repealed - then it becomes a road
by prescription. It has not been determined that
that the District Court would recognize this as
a prescriptive road. Therefore it would be open
to a law suit to close the road. This road
crosses Forest Service land in T16N R14W. I
think on the bill now stands it is a forest bill.
I request that on pg 2 line 15 the language be
changed to (c) By prescription, and the same change
on pg 3 line 14.

I also request that the lined out (d) in Amendment
with 43 USC now repealed - be put back into the
bill. It will be line 17 on pg 2 and line 16 on pg 3.

EXHIBIT 14
EXHIBIT 3-11-93
DATE SB49
March 11, 1993

To: House Local Government Committee

Re: SB-49, Redefining a County Road

I am Walter Steingruber and I am a land holder and one of those who along with my neighbors have had a county road petitioned to be closed and it was closed.

The reasons that we asked the road to be closed were because of vandalism mainly. It is in a very remote area and it only leads to another county road. In other words it was a convenience to the local land owners and that is no doubt why it was originally declared a county road. It is a very hard road to traverse when wet and many four-wheeler owners use it to test their trucks on and when they get stuck they take the cables from their front-end winches and hook them to a fence post and attempt to pull themselves out. They usually succeed after breaking off two or three posts and leave the road impassable except for a tank.

A few years back in a barley field along this road I noticed tracks in the field and after investigating I found that someone apparently was jacklighting and shot a five-point elk and drove around at night trying to find the elk. This happened in late July and the driving in the barley field caused the heads on the barley to be broken off. They never did find the elk.

According to an article in the Agri-News, in the past ten months over a dozen John Deere tractors were stolen in the Northern Rocky Mountain area.

So until 90% of the recreationalists can control the 10% that are irresponsible, I urge you to oppose SB-49.

Thank you.

Walter A. Steingruber

AGRI-NEWS

Vol. 23 No. 35 Billings, Montana February 26, 1993



Calving Season

Calf #125 gets a bath from mother and up over the hill, ole #115 and her calf bask in the mid morning sun. Rancher West Donohoe, left, his wife Francis, and son, Glen, all play midwife to these and many black cows on their ranch just southwest of Luther.



Agri-News/JESCHER ROBINSON

Unsolved mystery:

John Deere Model 4000 tractors 'stolen to order'

POWELL, Wyo. (AP) - The theft of a dozen John Deere tractors in the past 10 months leads investigators to conclude a sophisticated ring of implement rustlers may be operating in the Northern Rockies.

The large tractors taken in the thefts are usually "stolen to order," said Craig Beek, manager of corporate security for the Moline, Ill.-based Deere & Co., the maker of John Deere tractors.

"You're not going to steal something like that unless you have a buyer lined up - it's too big to drag around for long," he said. "This is a specialist - someone with the knowledge to start them up and the equipment to move them from point A to point B."

The latest in the string happened in Powell.

With at least 30 green John Deere tractors on the lot of Powell Equipment Inc., owner Ed Sessions says it can be easy to overlook one or two "way too easy."

Late Jan. 28 or during the next two days, someone drove two used John Deere tractors off the farm dealership's brightly lit lot along U.S. Highway 14A. Police suspect the rustlers loaded the Deeres, valued at nearly \$75,000, onto a waiting flatbed truck and disappeared.

Those two tractors are among almost a dozen, worth close to \$500,000, taken in a series of heists from farms and dealerships in Montana, western Wyoming, eastern Idaho and northern Utah in the last 10 months.

Two South Dakota thefts during the same period could also be related. Others may still be unreported.

"If you look at the circumstances, a connection seems like a real possibility," said Powell police chief John Cox.

With no registration requirements, tractors are also easier to fence _ and worth much more _ than most automobiles. And Deere tractors, which are started with a common key, and are often left unattended in rural areas, are prime poaching prospects.

"We assume these crimes were planned out in advance by experienced people," said Sheriff Charley Johnson in Park County, Mont., where three Deeres were taken last summer.

"It's kind of like stealing a damn house," Johnson said.

"When we see patterns like this develop, you've obviously got a fence or a ring operating in the area," said Wesley Eller, an analyst who tracks such thefts from Deere's headquarters. "Somebody's developed a market for themselves."

Starting with a utility tractor stolen near Helena, Mont. in April of last year, at least 10 of the valuable machines have disappeared in the region.

All those stolen were large tractors, many from Deere's top-flight 4000 series, worth around \$40,000 or more apiece. All were used, thus harder to trace and less apt to draw stares. All were taken near major highways and apparently hauled away on a flatbed, authorities said.

And all the cases remain unsolved.

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the Meat Board, the
the Meat Export

And the Beef I
authorized use of
range plan to maxim
other dollars inv
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Expected to be co

BULK RATE U.S. POSTAGE PAID PERMIT NO. 526 BILLINGS, MONT.
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P.O. Box 30755
Billings, MT 59107

ADDRESS CORRECTION REQUESTED

14
3/11/93

EXHIBIT 12
DATE 3/11/93
SB SB 49

TESTIMONY S.B. 49
AN ACT REDEFINING A COUNTY ROAD
AND AMENDING SECTION 7-14-2101 AND 60-1-201 MCA
HOUSE LOCAL GOVERNMENT COMMITTEE
MARCH 11, 1993

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS JOHN BLOOMQUIST, I AM TESTIFYING ON BEHALF OF THE MONTANA STOCKGROWERS ASSOCIATION. THE MONTANA STOCKGROWERS ASSOCIATION IS AN ORGANIZATION OF OVER 3,500 LANDOWNERS LOCATED THROUGHOUT MONTANA. I AM TESTIFYING BEFORE YOU TODAY IN OPPOSITION TO S.B. 49.

THE STOCKGROWERS OPPOSITION TO THIS BILL AS INTRODUCED WAS BASED UPON THE EFFECT THIS LEGISLATION WOULD HAVE ON THE COUNTY ROAD DETERMINATION PROCESS. AS INTRODUCED, THE BILL GREATLY EXPANDED THE STATUTORY MEANS BY WHICH COUNTY ROADS COULD BE CREATED BY A BOARD OF COUNTY COMMISSIONERS. THE ORIGINAL BILL WOULD HAVE RESULTED IN DETERMINATIONS OF PRESCRIPTION AND COMMON LAW DEDICATION TO BE MADE BY COUNTY COMMISSIONERS RATHER THAN THE COURTS, THE TRADITIONAL FORUM FOR THE DETERMINATION OF WHETHER SUCH EASEMENTS EXIST. FURTHERMORE, THE INITIAL BILL AS INTRODUCED, WOULD HAVE GREATLY EXPANDED CREATION OF COUNTY ROADS BY INCLUDING 43 USC 932 (REPEALED) WHICH IS THE CODIFICATION OF THE 1866 FEDERAL RIGHT-OF-WAY LAW WHICH WAS REPEALED IN 1976 UNDER FLPMA.

MSGA'S POSITION IN THE SENATE COMMITTEE, AND NOW BEFORE THIS COMMITTEE REMAINS THE SAME. THAT IS, THE EXISTING LAWS ON THE CREATION OF COUNTY ROADS ARE ADEQUATE TO ADDRESS THE ISSUES CONCERNING THE CREATION OR ABANDONMENT OF COUNTY ROADS. SPECIFICALLY, THE EXISTING PETITIONING PROCESS DESCRIBED UNDER THE LAW, ALLOWS COUNTY COMMISSIONERS TO ADDRESS THE ISSUES OF THE CREATION OR ABANDONMENT OF COUNTY ROADS ADEQUATELY. THE PRESENT LAW PROVIDES ADEQUATE INPUT BY THOSE AFFECTED BY THE CREATION OF ABANDONMENT OF COUNTY ROADS. NAMELY, THE ACQUISITION

OR ABANDONMENT OF RIGHTS-OF-WAY FOR COUNTY ROADS WILL BE BY THE PETITIONING PROCESS. ANY EXPANSION OF THE STATUTORY CREATION OF COUNTY ROADS IS ILL-ADVISED AND UNNECESSARY.

THE BILL AS AMENDED AND BEFORE THIS COMMITTEE, IS ESSENTIALLY THE EXISTING LAW. WHETHER THIS BILL IS IN FACT CLARIFICATION, OR WILL IN FACT CREATE CONFUSION, IS UNCERTAIN. THEREFORE, MSGA BELIEVES THAT THIS BILL IS UNNECESSARY AND URGES A VOTE OF DO NOT PASS ON S.B. 49. THANK YOU FOR THIS OPPORTUNITY TO TESTIFY BEFORE YOU TODAY.



PERSONNEL OFFICE

435 RYMAN MISSOULA, MT 59802-4297 (406) 523-4703 FAX: (406) 728-6690

March 11, 1993

EXHIBIT 16
DATE 3/11/93
SB SB103

House Local Government Committee
Committee Members
Montana State Legislature
Capitol Station
Helena MT 59620

Re: SUPPORT OF SENATE BILL 103 DECREASING THE AMOUNT
MUNICIPALITIES ARE REQUIRED TO PAY INJURED POLICE OFFICERS

The City of Missoula urges the House Local Government Committee to support Senate Bill 103, entitled "An Act Decreasing the Amount that Municipalities are Required to Pay Injured Police Officers from the Difference Between Gross Salary and the Amount of Workers' Compensation Benefits to the Difference Between Net Salary and the Amount of Workers' Compensation Benefits" introduced by Senator Harry Fritz.

SB 103 amends Section 7-32-4132 by establishing a method of providing wage protection for injured police officers which is identical to the method established for firefighters during the 1991 session. Using the officers' net pay as the basis for determining the City's partial payment will insure that injured police officers receive their regular take home pay while recovering from a work-related injury.

By adopting this amendment, first- and second-class cities will be able to administer police and firefighter workers' compensation pay in an identical fashion. Without the proposed amendments, separate payroll procedures are mandated by state law. Under the current law, there is both a perceived and actual inequality in the way police officers are treated. The proposed amendments correct these inequities and establish internal pay equity among public safety employees for workers' compensation wage-loss benefits.

Thank you for your support.

Sincerely,

Fred Rice
Personnel/EEO Officer

cc: Sen. Harry Fritz
Alec Hansen
SB 103 file

EXHIBIT 17
DATE 3/11/93
SB 513139

Amendments to Senate Bill No. 139
Third Reading Copy

Requested by Senator Towe
For the Committee on Local Government

Prepared by Bart Campbell
March 12, 1993

1. Page 1, line 18 and line 24.

Following: "guaranteed"

Insert: "by the United States or by an agency of the United
States"

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LOCAL GOVERNMENT _____ COMMITTEE _____ BILL NO. SB49
DATE 3/11/93 SPONSOR(S) Senator Bianchi

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
HOLACE BROWN	MISSION LA County County Savings		✓
Walt Steingruber	MY Self + Agriculture Preservat		✓
Louise Steingruber	Myself & Ag Pres. Assn.		
Gordon Morris	MALC.	—	
Bill T. Blum	Mt. Stockgrowers Assn. West Coast Growers Assn.		✓
Lorna Frank	Mt. Farm Bureau		✓
John Bloomquist	Mt. Stockgrowers		✓

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

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LOCAL GOVERNMENT _____ COMMITTEE _____ BILL NO. SB 244
DATE 3/11/53 SPONSOR(S) Senator Harding
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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<u>Jerem Hower</u>	<u>M/HFA</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Brady Hall</u>	<u>Mission Mtn Entyres</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Jordan Morris</u>	<u>MALCO</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LOCAL GOVERNMENT

COMMITTEE

BILL NO.

SB 139

DATE 3/11/93

SPONSOR(S) Senator Towe

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Gordon Morris</i>	<i>M.A.C.</i>	<i>X</i>	
<i>Lyn Harris</i>	<i>L.C.C.</i>	<i>X</i>	

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HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

LOCAL GOVERNMENT

COMMITTEE

BILL NO.

SB 103

DATE

3/11/93

SPONSOR(S)

Senator Fritze

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Gordon Morris	MHC	✓	
Gene Vuckovich	Anderson / Deer Lodge	✓	
Ann Idun	City's	✓	
Ira Rice	City of Mississippi	✓	

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**HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER**

LOCAL GOVERNMENT _____

COMMITTEE _____

BILL NO. SB112

DATE 3/11/93

SPONSOR(S) Senator Harding

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<u>ATHLETEN D. FREUER</u>	<u>Clerk of District Court - MSLA Co</u>	<u>XX</u>	
<u>HORACE S. BROWN</u>	<u>County Surveyor MSLA Co.</u>	<u>X</u>	
<u>Jan Byrd - representing</u>	<u>MONTANA Assoc. of Co. Clerks & Records</u>	<u>X</u>	
<u>Louise Stangruber</u>	<u>Myself & Ag Pres. Assn</u>	<u>X</u>	
<u>Gordon Morris</u>	<u>MA Co</u>		<u>X</u>
<u>Kim Harris</u>	<u>W.C. Co</u>	<u>X</u>	
<u>JoAnn Johnson</u>	<u>Chouteau County</u>	<u>X</u>	
<u>Betty Lund</u>	<u>Ravalli County</u>	<u>X</u>	
<u>Mirella H. Klund</u>	<u>Yellowstone Co</u>	<u>X</u>	
<u>Lori Maloney</u>	<u>Clerk of Court BUTTE</u>	<u>X</u>	
<u>DANIEL HARRINGTON</u>	<u>Auditor - Butte</u>	<u>X</u>	
<u>Sue Haukila</u>	<u>Clerk & Recorder Nattead</u>	<u>X</u>	
<u>Joan Pierce</u>	<u>Clerk & Recorder Teton</u>	<u>X</u>	
<u>JOE TROPILA</u>	<u>CASCADE Co C.R.</u>	<u>X</u>	

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

LOCAL GOVT. COMMITTEE BILL NO. JB112
DATE 3/11/93 SPONSOR(S) SEN. HARDING

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