### MINUTES

### MONTANA SENATE 54th LEGISLATURE - REGULAR SESSION

### COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By CHAIRMAN TOM BECK, on February 7, 1995, at 12:30 p.m.

### ROLL CALL

### Members Present:

Sen. Thomas A. "Tom" Beck, Chairman (R)

Sen. Ethel M. Harding, Vice Chairman (R)

Sen. Sharon Estrada (R)

Sen. Delwyn Gage (R)

Sen. Don Hargrove (R)

Sen. Dorothy Eck (D) Sen. John "J.D." Lynch (D)

Sen. Jeff Weldon (D)

Members Excused: none

Members Absent: none

Staff Present: Susan Fox, Legislative Council

Elaine Johnston, Committee Secretary

Please Note: These are summary minutes. Testimony and

discussion are paraphrased and condensed.

### Committee Business Summary:

Hearing: SB 222, SB 227, SB 254, SB 268

Executive Action: SB 130, SB 197, SB 208, SB 214, SB 221

{Tape: 1; Side: A; Approx. Counter: ; Comments: .}

### EXECUTIVE ACTION ON SB 130

Motion: SEN. J.D. LYNCH MOVED TO TABLE SB 130.

### Discussion:

CHAIRMAN TOM BECK expressed his concern that there would be a shuffle of mobile homes in and out of a court and the rates would be adjusted to the other people in the district.

SEN. DELWYN GAGE said that SEN. DARYL TOEWS comments were that this dealt with very small towns and SEN. GAGE did not feel there would be a great deal of movement in the towns.

**SEN. DOROTHY ECK** asked if they arrived at an amendment to clarify the language?

CHAIRMAN BECK said there was one amendment on page 1 line 16, that would strike "or" and insert "and of any".

Susan Fox, Legislative Council, stated that the proposed amendment clarified that there would be a taxable valuation on both the lot and the mobile home.

SEN. LYNCH implored the committee not to amend the bill if it was going to sit on the table.

SEN. DON HARGROVE supported the motion in that if the assessment were to go against the land the land owner would pass it on to the mobile home. The tax for the structure would be assessed at registration time and he did not feel the bill was necessary.

Vote: THE MOTION CARRIED WITH SEN. ETHEL HARDING VOTING NO.

### EXECUTIVE ACTION ON SB 197

### Discussion:

SEN. GAGE said there were three bills in the legislature dealing with the same issue. The only difference between SB 197 and SEN. GARY AKLESTAD'S bill was that SB 197 exempts highway right of ways and the land on which university facilities were located.

CHAIRMAN BECK asked SEN. GAGE if he wanted to proceed with his bill?

**SEN. GAGE** felt it was a better bill because of the difference and wanted to proceed and see it in statute whether the Appropriations Committee provided the funds or not.

CHAIRMAN BECK stated that he wanted to exclude the Montana State Prison Ranch from the exemption of taxes. He asked if the committee would be receptive to the amendment?

SEN. GAGE said that an institution would cover the Prison and it would also cover the dairy operation.

CHAIRMAN BECK wanted the amendment to only read the Prison Ranch.

SEN. ECK said it did not cover improvement but only land.

CHAIRMAN BECK clarified that he wanted only the Prison Ranch land which they farm to be taxed.

SEN. LYNCH said he would support the amendment but one of the exceptions on the ranch currently was that they could not sell their cattle in the state of Montana.

CHAIRMAN BECK said that they sell their cattle at the livestock yards in Butte.

SEN. LYNCH said that if the amendment passed, they would remove the requirement and they would be able to sell their cattle to SEN. BECK'S neighbor.

CHAIRMAN BECK did not worry about the cattle but was concerned that they would sell hay right next door.

Motion/Vote: SEN. LYNCH MOVED TO ADOPT THE AMENDMENT. THE MOTION CARRIED UNANIMOUSLY.

Motion: SEN. GAGE MOVED SB 197 DO PASS AS AMENDED.

### Discussion:

**SEN. ECK** asked **SEN. GAGE** to go over the fiscal implications and if they were still looking at a reimbursement to counties of 3.2 million dollars per year?

**SEN. GAGE** said they had been appropriating \$265,000 for centuries and an additional \$985,000 plus the what the Prison Ranch would generate.

CHAIRMAN BECK said the ranch would generate less than \$50,000.

Vote: THE MOTION CARRIED UNANIMOUSLY.

### EXECUTIVE ACTION ON SB 208

Motion: SEN. LYNCH MOVED TO ADOPT THE AMENDMENTS BY SEN. MESAROS.

### Discussion:

Susan Fox noted that they had added an effective date to the amendments SEN. KEN MESAROS proposed.

**SEN. GAGE** felt there could be a conflict between the amendment and the language on page 1 sub 4(a). He pointed out the bill said the arresting agency was responsible for the medical cost and the amendment said the inmate was responsible.

CHAIRMAN BECK said there was a second amendment that would be coming up to address SEN. GAGE'S question. He asked SEN. GAGE if he agreed with the second amendment.

SEN.GAGE said they did take care of his concern.

Vote: THE MOTION CARRIED UNANIMOUSLY.

Motion/Vote: SEN. GAGE MOVED TO ADOPT THE AMENDMENTS BY MACO. THE MOTION CARRIED UNANIMOUSLY.

Motion: SEN. GAGE MOVED SB 208 DO PASS AS AMENDED.

### Discussion:

**SEN. LYNCH** said he supported the motion but he felt there would be some problems in terms of someone who would not pay the fines because they could work it off at \$75 a day. Some people would benefit from that procedure.

SEN. GAGE agreed with SEN. LYNCH that some people would just sit out the fine.

Vote: THE MOTION CARRIED UNANIMOUSLY.

### DISCUSSION ON SB 214

### Discussion:

**SEN. LYNCH** suggested they adopt an amendment that would make counties revenue neutral. He said the treasurer from Lake County said if they were going to be giving away some goodies, the state should be doing that and not the local government.

Ms. Fox said the only amendment she had was a termination date and she would look into SEN. LYNCH'S suggestion. She mentioned a way to approach his concern was to go to a decal fee.

**SEN.** LYNCH said it would be fine if they could go to a user fee rather than counties taking a hit.

CHAIRMAN BECK said they would hold up SB 214 until Thursday.

SEN. HARGROVE asked if there was a possibility the bill would get tabled and should they take the time to work on an amendment.

CHAIRMAN BECK said that was a possibility but to be fair he wanted to wait until Thursday when they had an amendment to consider.

### EXECUTIVE ACTION ON SB 221

### Discussion:

CHAIRMAN BECK said the bill allowed for a AD HOC increase for benefits for certain members of the police officers retirement system and their survivors including state employees. SEN. LYNCH said it was his understanding that if the bill passed, it would then go to the Finance and Claims Committee.

CHAIRMAN BECK said it would probably go to Finance and Claims.

SEN. LYNCH said that they could pass the bill but he felt it would go to second reading but before it hit there it would go back to committee.

CHAIRMAN BECK agreed and said the bill probably should have gone to Finance and Claims in the first place but he said they could support the idea of the bill.

SEN. HARDING said she though the money was raised out of insurance premiums.

Ms. Fox said the state contribution would come from the insurance premiums but the city portion comes from the city.

SEN. LYNCH said there was a suggestion to take more from the state so not to hurt the local governments which he liked.

SEN. ECK asked if the bill had been through the interim committee on retirement and if the report was available.

CHAIRMAN BECK said he sat on the committee and he was sure there was a copy. He said this was one of the recommendations that came out of the committee.

**SEN. ECK** asked if the committee had a lot of other recommendations?

CHAIRMAN BECK said they did not recommend many and did turn down the firefighters.

Motion: SEN. LYNCH MOVED TO ADOPT AN AMENDMENT TO STRIKE 1.04% ON PAGE ONE AND INSERT UNDER TAX INSURANCE PREMIUM CONTRIBUTIONS INSERT 1.88%.

### Discussion:

SEN. LYNCH said the one time shot would come from the insurance premiums and not the cities.

Ms. Fox said the amendment was similar to what was suggested during testimony. On page 1 line 7, they would add the 1.88 so it would come to 17.54% and would leave page 2 line 2, at 14.36% which was what the cities were contributing.

SEN. LYNCH said that if it was going to go to Finance and Claims this would put the bill in its best shape.

CHAIRMAN BECK wanted to know what the amendment would do to the soundness of the bill.

Ms. Fox said she had asked Mike O'Connor from PERS if the committee was to start amending percentages, what would they have to do? Mr. O'Connor said to make sure they added up to the 1.88%.

SEN. GAGE said it was possible that 1.88% of the insurance premiums would be a lot different than .84% and 1.04% and should be checked out.

SEN. LYNCH reminded the committee that the bill would go to Finance and Claims and they could get a new fiscal note to deal with.

CHAIRMAN BECK asked SEN. LYNCH what his reasoning was for the amendment?

SEN. LYNCH said he was trying to protect the committee from sending down unfunded mandates.

CHAIRMAN BECK confirmed with SEN. LYNCH that he did not want any local government contributions and wanted it all out of the insurance premium tax.

SEN. LYNCH said he was trying to catch up because the police employees were left out when laws were passed years ago.

Vote: THE MOTION CARRIED WITH CHAIRMAN BECK VOTING NO.

Motion: SEN. ECK MOVED SB 221 DO PASS AS AMENDED.

### Discussion:

SEN. GAGE said he did not know who was going to determine at what level the benefit increase goes. It was at not less than 50% but could be 200%.

SEN. LYNCH said he did not think they could go that high because the money wasn't there.

SEN. GAGE thought it should read a benefit of 50% only.

CHAIRMAN BECK wondered if they were receiving over 50% at that time.

SEN. LYNCH said it was probably worded right and it could be looked at in Finance and Claims.

CHAIRMAN BECK said they could put the existing language in the bill and it could be put back in Finance and Claims.

SEN. LYNCH said he had never heard of anyone who had received over 100% of their pension.

CHAIRMAN BECK said SEN. GAGE wanted to amend it to 50% and not have the "not less than" in the bill.

**SEN. GAGE** said there could be some who were getting 80% or 90% and the 50% would not benefit them. He wanted to make the point that it was pretty wide open.

CHAIRMAN BECK asked SEN. GAGE if he wanted to amend the bill?

SEN. GAGE said he would not as long as it would be brought up in Finance and Claims.

Vote: THE MOTION CARRIED UNANIMOUSLY.

### HEARING ON SB 222

### Opening Statement by Sponsor:

SEN. MACK COLE, SD 4, Hysham, presented SB 222 which was an important bill to the counties as it would straighten out some of the past problems they had. The bill had only two items that would make major changes. The first was when you have a county public safety levy, the money received from the tax must be placed in a special account. The last portion of the bill pertained to the fees collected by the sheriff for the service would be deposited by the county treasurer in the general fund of the county unless the county has instituted a public service levy.

### Proponents' Testimony:

Sue Haverfield, Flathead County Clerk and Recorder, presented her written testimony (EXHIBIT 1).

Gordon Morris, Montana Association of Counties, supported SB 222 and pointed SB 222 was something that logically should have followed the public safety levy.

### Opponents' Testimony: none

### Questions From Committee Members and Responses:

SEN. JEFF WELDON asked if there was a problem in changing the way the fees were handled mid fiscal year as there was an immediate effective date? Mr. Morris replied that it was his opinion there would be no problem as if the county had a public safety levy the money was already going there.

CHAIRMAN BECK asked when the public safety was separated from the general fund was it the fact that some counties were getting maxed out of general fund so they could separate them like district courts? Mr. Morris said that the law establishing the public safety levy was a permissive mill levy for public safety purposes. The general fund was still were as it was prior to the

enactment of the public safety levy. For those counties who would decide to move the money out of the general fund, it would be on a total stand alone basis and the revenues formerly identified with the sheriff's department should follow with the establishment of a public safety levy. There had been no property tax increase due to the levy and under I-105, it would be more logical to put a public safety levy in front of the board rather than a general fund levy.

CHAIRMAN BECK asked if the public safety levy included all the sheriff's duties? Also he asked if they had separated the fines and forfeitures to go into the public safety levy, would that skew the whole general fund? Mr. Morris said that the public safety levy did include the sheriff's duties. In response to the second question he said he did not think the general fund would be skewed. Just because there would be a revenue generated by a department they would get the revenue by way of expenditure authorization does not automatically follow in terms of the county general fund. It would follow the public safety levy that any money that goes in would have to go toward that purpose.

CHAIRMAN BECK stated there was some sentiment by some legislators that they did not like a department generating there own revenue. They felt the department may be out fining more people because they needed more revenue. Mr. Morris pointed out that it was existing law and the fees had been on the books for some ten years without being looked at. He did not think there would be any interest on the part of a sheriff to go out and generate money.

CHAIRMAN BECK said it was going to 27 mills in the general fund versus a small millage in a safety fund. Mr. Morris said it was a permissive levy meaning the sky was the limit but the county commissioners would not levy that much. the general fund remained 25 and 27 mills. He also pointed out that many times the sheriff's department soaked up the most revenue even taking from other departments and now he would be on his own.

SEN. GAGE asked how the fees compared to counties who had set fees and how many counties had set fees? Mr. Morris said he assumed he meant the counties with set fees had assumed local option authority when it came to setting fees and it was not the case. There was not authority other than statute. They have tried to get authority so there were no counties setting fees other than what was included in SB 222.

**SEN. GAGE** questioned that there was another section dealing with the fees counties could set. **Mr. Morris** said they did not have fee authority. There was no other section of codes that gave county commissioners the authority to set fees.

SEN. GAGE asked why it said "if fees have not been set by the governing body"? Mr. Morris said that was an anomaly and was the only place in the codes where that appeared. He once again

stated they did not have the authority to set fees except for subdivision.

SEN. GAGE said that they should amend that area. Ms. Haverfield said the authority to set fees was granted in the 1993 session to the county governing body and the sheriff. She said those had been done to meet the needs of each county in each county rather than the legislature setting the fees.

### Closing by Sponsor:

SEN. COLE recommended a due pass from the committee.

### HEARING ON SB 227

### Opening Statement by Sponsor:

SEN. JEFF WELDON, SD 35, Arlee, presented SB 227 which would amend the part of title 50 which was health and safety and part of chapter 60 which had to deal with building construction codes. He asked them to examine the whole notion of extended jurisdiction of municipalities. The heart of the bill related to what was meant by municipal jurisdictional area. The current law defined it as the jurisdictional area of the city plus an area up to 4 1/2 miles outside the city. SB 222 rolled the 4 1/2 miles back to 1 mile as a matter of fairness. The policy for the extra mileage was for uniformity in building inspection within the city and the extra area. The notion he felt was that the extra area could ultimately be inside the city if annexed. He said that there were some areas 4 1/2 miles outside the city that would never be part of the city. To subject people to the city jurisdiction that would never be part of the city was unreasonable. Section two of the bill related to the people who would remain in the one mile zone. This recognized that those people did not have any due process protection and could appeal the application of the municipal or state building code to the city. He said that the Department of Commerce had an amendment he agreed with that would clarify the jurisdiction and building codes. He also wanted to look at a way to recognize existing permits and applications as well as an effective date.

### Proponents' Testimony:

Paul Staton, Milltown, stated that he supported SB 227 and stated that he understood the reasoning for the extra area outside the city. He felt that one mile was more defensible than 4 1/2 miles. He said that in his town the 4 1/2 mile area included his neighborhood but the Mayor of Missoula was quoted as saying the town would not grow out past their eastern boarder so his area would not be affected. He said that the revenue generation was the only reason to justify why they were included in the 4 1/2 mile area. He said that was an example of taxation without representation as they had no representative on the city council

and city official were not accountable to his neighborhood. Another part of SB 227 would encourage counties to establish building codes and would give counties the option of taking jurisdiction in certain areas. This would make county building permit programs more financially feasible and could prevent the problem of counties charging large fees. He also disagreed with the Department of Commerce's problem with the bill.

James Loftus, Montana Fire District Associations, supported SB 227 because cities complain about county residents going into the city and using their services without paying but they go out the 4 1/2 mile limit and charge inspection fees and other fees which some are extremely high. Some counties had expressed desire to get into the building inspection department which he felt they should be able to do. He urged the committee's support of SB 227.

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Douglas Grob, Flathead County resident, stated that the reason Flathead County jumped into a building permit system was the fact that they were afraid cities would go to the 4 1/2 mile limit and did not want to lose frods. He felt county building codes would push back the cities and get the most lucrative revenue. He said that the state authorization for county or municipal building code districts was not flexible enough to take into account the initiative and ability that Montanans had to provide shelter for themselves. He suggested the county or city building municipality print up a small booklet that would tell people the requirement needed for a home. He suggested the committee put in the bill owner builder exemptions. He asked the committee to protect the personal initiative of the Montanan who with limited funds builds their own home. He urged the adoption of SB 227 and include some flexibility.

Ray White, Gallatin County resident, presented his written testimony in favor of SB 227 (EXHIBIT 1).

Steve White, Bozeman resident, supported SB 227 which had been long overdue for the Bozeman area. He encouraged the support of the committee.

Larry Brown, representing the Agricultural Preservation
Association, mentioned they were concerned about plating density
and the concept of reasonable plating and zoning was something
important to all as there had been tremendous growth of Montana.
He stated these were important issues to recognize in terms of
private property rights and how it extended to everyone. The
extended jurisdiction of municipalities was a concern in regard
to the services provided and the fees and taxes previously
mentioned by others. The issue he said was in regard to
government and their encroachment on private property rights and

how they relate to the annual revenue neutrality that government in theory was supposed to do. Lastly, he mentioned the inconsistency in unified annexation.

John Shontz, Montana Association of Realtors, said that there would be a parade of rationality that SB 227 was a bad bill but he disagreed. SB 227 was about choice and should a person chose to live outside a municipality should that municipality inflict itself on that person? He encouraged the committee to ask themselves why SB 227 would be a bad bill and he stated they would come to the conclusion that there would not be an answer because SB 227 gives people more rights to exercise choice.

### Opponents' Testimony:

Jim Kembel, representing the City of Billings, opposed SB 227. He said he worked putting together the building code law in Montana and a person needed to have background to understand why it was good. He said the codes would be enforced by somebody either the state, city, or county. He said there would be a number of building that if there was no county or city involvement, those structures would not be inspected. He said there were 56 communities involved in some type of code enforcement. The reason for the 4 1/2 miles he said was that cities had a zoning and planning authority and the building code was put in to go with that. If there were not inspections in that area, structurally when the sewer and water got together, the city would have an expensive problem. He pointed out it provided for efficient and organized growth in communities. reminded the committee the codes would be the same no matter who enforced them. He continued that the right to preempt a city once they had established the 4 1/2 mile jurisdiction can cause problems as they made a commitment to cover that area and it would not be fair to preempt them. He said there were ways to appeal at all levels.

Mark Watson, Billings City Administrator, stated that SB 227 provided them with a great deal of alarm because Montana was facing a great deal of growth. He said as communities grow, the counties and cities were not working together. In Yellowstone county, he noted they were working together to provide planning and building code services, and fire protection. He mentioned that if a person could build there own home that was great but not always do those people have the needed skills to do some of the procedures. With building codes extended out into the county he said they would have quality homes and developments.

Larry Gallagher, Director of Planning and Economic Development for Kalispell, stated that SB 227 would dismantle the workable tools that municipalities had to carry out their responsibilities. He gave an example of a subdivision that was created without public review which caused many problems as the population increased. He said that 70% of the population of Flathead County lived in unincorporated areas. In the

jurisdictional limits of Kalispell, they extend out 3 1/2 miles and since 1991 they issued 2,032 permits for building construction valued at almost 42 million dollars. He noted the average number of permits since 1991 was 508 permits. SB 227 countered state policy in 7-42 and 7-43 which Mr. Gallagher pointed out. He asked the committee to vote against SB 227 as it would be a vote against the sound growth of Montana's municipalities and would encourage unsafe and unsound conditions.

Jim Brown, Bureau Chief of the Building Codes Bureau of the Department of Commerce, presented his written testimony (FXHIBIT 3).

Alec Hanson, League of Cities and Towns, presented a lett from the City of Missoula (EXHIBIT 4). He said that the issue as safety and if SB 227 was to pass there would be a huge hole put in the building inspection program in the state of Montana. He urged the committee to reject SB 227.

Jim Wysocki, Bozeman City Manager, reiterated that safety was the main concern and growth was the time when parameters were needed. To be ready to absorb the impact of growth in Montana, SB 227 would not be the answer. He asked the committee that if agriculture out building were to be left out the primary homes should be left in the bill.

### Questions From Committee Members and Responses: none

### Closing by Sponsor:

SEN. WELDON stated the bill was not against building inspection and it was not his intent to not inspect buildings. He was questioning who was the appropriate entity to inspect buildings. He said those people not living within a city jurisdiction should not be inspected by the city. He said the 4 1/2 mile zone was a great source of revenue for the cities but he questioned if it was a good source of revenue for the cities. On the fiscal note, the fees paid to the state in lieu of the cities would cover the costs. He understood the additional burden that would be placed on the Department of Commerce and he was willing to except part of the responsibility for that and help the Department through the appropriation process. Ultimately, he felt SB 227 was a question of fairness.

### HEARING ON SB 254

### Opening Statement by Sponsor:

**SEN. GARY FORRESTER, SD 8, Billings**, presented SB 254 dealing with plats where any type of easement was vacated. The city of Billings felt there was a problem in that area.

### Proponents' Testimony:

Mark Watson, City of Billings Administrator, said SB 254 was a specialized situation larger communities may have been facing within Montana. He used the board to draw a illustration of two plats where there was a roadway between two property owners and if that roadway were to be vacated, the roadway would be split in half and the property owners on each side would receive the additional land. He pointed out that if a roadway was redesigned and moved as not to benefit one of the property owners, SB 254 would allow that property owner to not be penalized.

Bruce Williams, City of Kalispell, stated that they had similar problems to that of Billings and they supported SB 254.

Jim Wysocki, Bozeman City Manager, stated that they support SB 254.

John Shontz, representing the Montana Association of Realtors, stated they supported SB 254.

Opponents' Testimony: none

### Questions From Committee Members and Responses:

SEN. HARDING asked when a roadway moved what would happen? Mr. Watson said they would go back to original documents as to what the intent of the land was for and determine who would benefit.

CHAIRMAN BECK asked if it would be the same if a road went at an angle through the properties. Mr. Watson said it would depend on if the roadway was built or not. If it was on the master plan, they could determine if it would be part of an eventual roadway system or not. He said that in that instance, they would not want some other party to be a beneficiary if they were not originally part of the project.

SEN. ECK said they can't change roadways without the approval of the city or county. Mr. Watson said that was correct.

**SEN. ECK** asked if within the land they could change ownership but the county would have to approve how that would fit into the plan. **Mr. Watson** said it would be required on an official vacancy to be rescinded by the council.

### Closing by Sponsor:

SEN. FORRESTER said he thought it was a good idea and hoped he would be able to carry the bill on the floor.

### HEARING ON SB 268

### Opening Statement by Sponsor:

SEN. DON HARGROVE, SD 16, Belgrade, presented SB 268 which would provide for a snowmobile safety course determined by the Department of Fish, Wildlife, and Parks o be administered by the funds the Department had with no taxpayer money involved. Anyone under the age of being able to have a drivers license would be able to take the course and upon passage, they would be able to operate a nowmobile legally.

### Proponents' Testimony:

Arnie Olsen, Administrator State Parks Division, Department of Fish, Wildlife, and Parks, presented his written testimony (EXHIBIT 5).

Bill Howell, West Yellowstone, said that he was a rental operator who many times got caught in the situation of having to explain why they can or cannot rent a snowmobile to them because of the laws on the streets of West Yellowstone. Snowmobiling provides 40 million dollars from non resident income across the state. He asked the committee's support of SB 268.

Glen Loomis, West Yellowstone Mayor, stated people would come to West Yellowstone to rent snowmobiles and enjoy the trails. However, snowmobiles were not allowed on the streets without a valid drivers license. He was concerned about the liability and he supported SB 268 as it would solve their problem.

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Jim Zook, Safety officer, Linco n snowmobile club, said they had a similar problem as that of West Yellowstone. He said that something needed to be done so that the law was not being overlooked. He supported SB 268 to take care of the problem.

Ken Hoovestol, representing the Montana Snowmobile Association, stated that Seely Lake like other towns had been putting aside the driver license law to allow families to snowmobile together but it was coming to a point where something needed to be done. He stated that existing law provided local authorities the option to allow or not allow any riding on streets or roads and SB 268 did not change that. SB 268 gave another option to local entities to approve or disapprove to have the course. SB 268 did not create requirements and nothing was mandated it was only an alternative to solve problems. He said that their state president, Dennis Ogel, wanted to attend but was not able to attend.

Opponents' Testimony: none

### Questions From Committee Members and Responses:

SEN. ECK asked if there was any information on the type of training that would be required and if there were any age limits?

Liz Lotman, Snowmobile Safety Education Coordinator, Department Fish, Wildlife, and Parks, stated that they had a voluntary program for the past several years and she handed out the manual that was used (EXHIBIT 6). She also stated there was not an age limit at that time for the course but the book did have a certain reading level of around 10 to 12 years of age.

SEN. ECK asked if direct supervision was required? Ms. Lotman said that the adult must be present but not necessarily on the same snowmobile.

SEN. SHARON ESTRADA asked if a child of any age as long as they had an adult on the vehicle with them would be legal? Ms. Lotman said the adult did not have to be on the snowmobile with the child. Mr. Olsen added that the concept of age requirements they talked about was a problem because children's maturity may vary and they wanted to leave the decision up to the parents.

**SEN. ESTRADA** asked for clarification that a young person could operate a snowmobile as long as an adult was with them on another snowmobile? **Mr. Olsen** said that was correct.

Mr. Hoovestol asked to respond further to SEN. ECK'S question in that SB 268 did not establish the correspondence course. They were proposing the courses already in existence.

CHAIRMAN BECK said it was already in place but the fiscal note said it could take another \$10,000 a year. Ms. Lotman said that was because there would be additional students being taught and the training of volunteers in various areas would cost some money.

**SEN. ECK** said she understood the bill as expanding the use of snowmobiles by younger people on the roads as they can use them off roads. **Mr. Hoovestol** said that was correct as there was no age limit or license requirement on the trail system.

CHAIRMAN BECK asked if there should be an age limit? Mr. Hoovestol said they had kicked that around for years and they felt the family could make the best judgement.

CHAIRMAN BECK asked when the term highways was added into the bill, would federal highways be included? Mr. Hoovestol said that whoever had the authority over the street, road, or highway can if they so desire allow the use of snowmobiles.

SEN. HARDING asked if there was any liability and who's it would be? Mr. Hoovestol said it would be the parents liability. Mr. Howell said that they did not rent to anyone under the age of 18

unless there was an adult parent with the child and the parent signs on the responsibility.

SEN. ESTRADA asked to get an idea of the age group they were talking about? Mr. Howell said they were talking more along the lines of 12 to 16.

### Closing by Sponsor:

SEN. HARGROVE commented that the bill did require a safety and training course as well as a person with a drivers license over 18 years old. He said SB 268 would improve things for everyone and reminded the committee that it was an optional program. He said that snowmobiling was family and SB 268 was an important thing to do.

### **ADJOURNMENT**

Adjournment: 2:45 p.m.

SEN. TOM BECK, Chairman

ELAINE JOHNSTON, Secretary

TB/ej

### MONTANA SENATE 1995 LEGISLATURE LOCAL GOVERNMENT COMMITTEE

ROLL CALL

DATE 2-7-95

NAME	PRESENT	ABSENT	EXCUSED
DOROTHY ECK			
SHARON ESTRADA			
DELWYN GAGE			
DON HARGROVE			
J. D. LYNCH	/		
JEFF WELDON	/		
ETHEL HARDING, VICE CHAIRMAN			
TOM BECK, CHAIRMAN	4		
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### SENATE STANDING COMMITTEE REPORT

Page 1 of 1 February 8, 1995

### MR. PRESIDENT:

We, your committee on Local Government having had under consideration SB 197 (first reading copy -- white), respectfully report that SB 197 be amended as follows and as so amended do pass.

Signed:

Senator Tom Beck, Chair

That such amendments read:

1. Page 1, line 18.

Following: "institution"

Insert: ", except for land used for the Montana state prison
 ranch,"

-END-

Amd. Coord.
Sec. of Senate

331412SC.SRF

### SENATE STANDING COMMITTEE REPORT

Page 1 of 1 February 8, 1995

### MR. PRESIDENT:

We, your committee on Local Government having had under consideration SB 221 (first reading copy -- white), respectfully report that SB 221 be amended as follows and as so amended do pass.

Signed:

Senator Tom Beck, Chair

That such amendments read:

1. Title, line 6.

Strike: "AND EMPLOYER"

2. Title, line 7. Strike: "SECTIONS" Insert: "SECTION"

Strike: "AND 19-9-703"

3. Page 1, line 27.

Strike: "16.5%" Insert: "17.54%"

4. Page 1, line 29 through page 2, line 3.

Strike: section 3 in its entirety

-END-

Amd. Coord.
Sec. of Senate

331403SC.SPV

### SENATE STANDING COMMITTEE REPORT

Page 1 of 2 February 8, 1995

### MR. PRESIDENT:

We, your committee on Local Government having had under consideration SB 208 (first reading copy -- white), respectfully report that SB 208 be amended as follows and as so amended do pass.

Signed:

Senator Tom Beck, Chair

That such amendments read:

1. Title, line 7. Following: line 6

Strike: "AND"

Following: "7-32-2222," Insert: "7-32-2242,"

Following: "MCA"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 1, line 22.

Following: "in"

Insert: "7-32-2245 or"
Following: "(4)(b)"

Insert: "of this section"

3. Page 1, line 25. Following: "county"

Insert: ", except as provided in 7-32-2245"

4. Page 1, line 28. Following: "located"

Insert: ", except as provided in 7-32-2245"

5. Page 2, line 3.

- (1) Local government, state, and federal law enforcement and correctional agencies may use any detention center for the confinement of arrested persons and the punishment of offenders, under conditions imposed by law and with the consent of the governing body responsible for the detention center.
- (2) (a) If a person is confined in a detention center by an arresting agency not responsible for the operation of the detention center, the costs of holding the person in confinement must be paid by the arresting agency at a rate that is agreed upon by the arresting agency and the detention center and that covers the reasonable costs of confinement, excluding capital

Amd. Coord. SA Sec. of Senate construction costs, except as provided in 7-32-2245 or subsection (2) (b) of this section.

- (b) If a city or town commits a person to the detention center of the county in which the city or town is located for a reason other than detention pending trial for or detention for service of a sentence for violating an ordinance of that ity or town, the costs must be paid by the county, except as provided in 7-32-2245. If the department of corrections and human services the arresting agency and the inmate is a probation violator, the costs must be paid by the county in which the district court that retains jurisdiction over the inmate is located, except as provided in 7-32-2245.
- (c) Payments must be made to the government unit responsible for the detention center or to the administrator operating a private detention center under an agreement provided for in 7-32-2201, upon presentation of a claim to the arresting agency.
- (3) If a person is a fugitive from justice from an out-of-state jurisdiction, the costs, including medical expenses, of holding the person in a detention center pending extradition must be paid by the out-of-state jurisdiction.""

  Renumber: subsequent sections

6. Page 2, line 4. Strike: "confinement" Following: "inmate." Insert: "(1)"

7. Page 2, line 10.

Insert: "(2) An inmate is responsible for the actual costs of
 medication, medical services, or hospitalization while the
 inmate is detained in a detention center. Inability to pay
 may not be a factor in providing necessary medical care for
 an inmate. This section does not restrict an inmate's right
 to use a third-party payor."

8. Page 2, line 30.

Insert: "NEW SECTION. Section 6. Effective date. [This act] is effective on passage and approval."

-END-

SENATE L	OCAL	GOVT.	COMM.
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EXHIBIT NO.

### SUSAN W. HAVERFIELD

# FLATHEAD COUNTY CLERK & RECORDERBILL NO. 58 222

800 South Main - Kalispell, Montana 59901

\*\*\* NEW PHONES 06/93 \*\*\*
PHONE (406) 758-5526
(406) 758-5532
FAX (406) 758-5865

January 30, 1995

The Honorable Arnie Mohl Senate District 39 Montana State Senate Capitol Building Helena, Montana 59620

Dear Arnie:

As you requested here is information regarding SB 222 on deposit of the Sheriff's fees.

This bill is to correct the language of the current statute. Section 7-32-2141 M.C.A. (2) now states that fees must be credited by the county treasurer to the sheriff's budget. This could lead to a belief that budgets are changeable by deposits of fees.

Deposits are <u>not</u> made to <u>budgets</u> but are made to revenue accounts for the various departments, in the respective funds, in which they are accounted. In this case the sheriff's department is a part of the county general fund unless a public safety fund is enacted for the funding of the sheriff's department.

Budgets are only estimates of the revenues and expenditures which will fund the operation of the unit of government for the next fiscal period. Once a budget is adopted it is the spending authority for that unit of government for the fiscal year. The anticipated revenues, along with any other non-tax resources and cash carryovers, are used in the calculation of the needed tax revenues to provide a balanced budget. A budget cannot be amended by the deposit of fees to a revenue account.

LC1268, the limits on appropriations bill is introduced to save the time and multiple journal entries required to cover mostly insignificant over-expenditures in line items within a budget for a department as

long as the bottom line total is not exceeded. A budget is only an estimate of the total required to fund the operation of the unit of government for the fiscal period.

The accounting system requires the expenditures to be broken down into categories such as personal services, supplies, services, capital outlay. Each of the major categories are then broken down into objects of expenditure or line items such as office supplies,

SENATE LUCAL GOVI. COMM.
EXHISIT NO.
DATE
BILL NO

The Honorable Arnie Mohl

-2-

January 30. 1995

small equipment, gas and oil, postage, telephone, printing. Because budgets are estimates it is often a best-guess as to the amount, for example, required for postage for a department for a year.

Variables such as postage rate increases, extra mailings due to creation of a new rural special improvement district requiring notices to property owners, may cause an overdraft of a line item budget.

Section 7-6-2324 M.C.A. (2) now limits the making of expenditures to the amount of such detailed appropriations. This results in the requirement that any overdrafts then be "covered" by journal entry budget amendment requiring a resolution by the board of county commissioners. An overdraft of five cents or five hundred dollars must still be covered. A copy of the year end clean-up journal entry for Flathead County is enclosed.

This bill would change the language of the statute to limit the making of expenditures to the amount of the total appropriation (bottom line) adopted as the final budget for each fund or for each department within a fund.

The county general fund, for instance, carries the budgets for each of the administrative departments: commissioners, clerk and recorder, treasurer, auditor, sheriff (unless a public service levy fund is enacted), county attorney, justice of the peace, etc. Each of these departments would have to live within the bottom line of the individual department budget, while allowing overdrafts of postage to be covered by an under-expenditure in office supplies, without a journal entry needing to be made. This will also result in the "real picture" of the financial activity of a department showing on reports and in the next budget document rather than a "cleaned-up" version.

Thanks for your time. Let me know if you need more.

Sincerely.

Susan W. Haverfield

Flathead County Clerk and Recorder

MACR Legislative Chair

### SENATE BILL #227

SENATE LOCAL GOVT. COMM.

EXHIBIT NO. 2

DATE 2-7-95

BILL NO. SB 227

### PERSONAL

Mr. Chairman and members of the committee, I am Ray White from Gallatin County. I along with my family own and operate a ranch that is within a  $4\frac{1}{2}$  mile Jurisdictional Area, as referred to in 50-60-101 M.C.A. My children are the fourth generation on this ranch, which my Grandfather acquired after locating in the Gallatin Valley 130 years ago.

PROPERTY RIGHTS I am here today to support Senate Bill #227.

Because of the location of our Ranch and past legislation we have, over the last few years, lost a large portion of our property rights. Senate Bill #227 is so important to county rural property owners regaining some of what was taken from us.

CITY POWERS State law has given powers of regulation and taxation fees to Cities on property that is located outside their incorporated boundaries. We rural county citizen taxpayers have no Voice or Vote on these ordinances or on the officials who administer them. This is not right!

HEALTH AND SAFETY Title 50 of the Montana Codes, part of which is being discussed here today, come under the general heading of quote "Health and Safety". The City of Bozeman provides no Health and/or Safety services to us or our property. These services are furnished by County Government.

CITY ORDINANCES If we need to build a house, barn, calf shelter, machine shed or any structure on our property under present Bozeman City Ordinances, we are required to furnish the city building department a set of architectural drawing and site plans for approval plus scheduled monetary fees which are considerable. During construction, we must allow city employees to trespass on our private property, or face court action.

<u>CITY LIMITS</u> It could be argued that City Building Codes enforced in the rural County are necessary for future city expansion. However, my observations over the past 45 years have shown that the Bozeman city limits have only expanded approximately 1 and  $\frac{1}{2}$  miles in most directions. Secondly, the majority of land annexations have occured on undeveloped agricultural lands.

PERMIT FEES Building permit fees were originally set to offset the actual costs associated with administrative and inspection services. Over the years, as we all know, these fees have been inflated to create an additional revenue source for government.

CONSIDER AMENDMENTS In closing, I would again encourage passage of this Bill 227 and I would suggest that this committee consider the following possible amendments to Senate Bill 227:

- 1. The one mile jurisdiction be reduced or eliminated to 0.
- 2. That all buildings constructed on agriculture land be exempt from building codes and fees.
- 3. That if this bill passes, that it be made effective at the time the Governor signs the bill.

Thank you.

SENATE	LOCAL	GOVT.	COMM.	
EXHIBIT	NO	5		
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# SB 227

# TESTIMONY OF JAMES F. BROWN CHIEF, BUILDING CODES BUREAU, DEPARTMENT OF COMMERCE

Mr. Chairman and members of the committee, my name is James F. Brown. I'm the Bureau Chief of the Building Codes Bureau of the Department of Commerce.

While the Department has no opposition to the concept of SB 227 and I have in fact worked with Senator Weldon on some of the wording of the bill, we find that we must rise in opposition because of the impact of the bill on the Bureau and our ability to meet our statutory duties and responsibilities.

Our only major difficulty with the bill lies with the fiscal note that accompanies the bill. The fiscal note states that the Bureau can merely absorb and support the additional inspection workload and like magic revenues will be increased by \$190,000 per year. This conclusion is quite different from the fiscal note we forwarded to the Budget Office and that I shared with Senator Weldon.

Our figures show that if SB 227 passes, the Bureau will have to cover approximately 800 additional electrical permits per year which equates to 2,400 additional electrical inspections and 200 additional building permits per year which equates to 1,000 additional building inspections. Since a state electrical inspector can handle only 1,900 inspections per year and a state building inspector can handle only 1,100 inspections per year, the Bureau will need 1 additional electrical inspector and 1 additional building inspector to handle the additional inspection workload. The total estimated cost for personal services, operating expenses and equipment is \$106,835 in FY 96 and \$81,352 in FY 97.

Please refer to the three handouts. The first handout is a graph that shows the construction growth in Montana since 1988, as reflected by the Bureau's electrical permitting. As you can see, even with the three emergency electrical inspectors hired at the end of FY 94, per inspector workloads exceed manageable levels by 25 - 35%. Our electrical inspectors cannot take on any additional workload. At present we are collecting fees for electrical permits and we are not completing all of the required inspections and many inspections are not timely. If you would please turn to the next chart, you will see growth we have faced in all

aspects of construction permitting. We really are in a substantial and sustained building boom in Montana.

Because of the building boom, decertification of Flathead County and our inability to complete inspections in a manner mandated by statute, we are asking for 7 additional inspectors and 1 additional plan reviewer for the 97 Biennium. Three of the requested electrical inspectors have already been hired on an emergency basis.

Please refer to the last handout. This document shows the level of permitting of the Cities of Billings, Bozeman, Kalispell and Missoula in the affected areas in 1994. Even though the state only inspects commercial buildings for building code compliance, approximately 200 additional building projects requiring 1,000 inspections would become the State's responsibility annually as a result of SB 227. Since the State covers residential construction for electrical inspections, approximately 800 additional electrical projects requiring 2,400 inspections would become the State's responsibility annually as a result of SB 227.

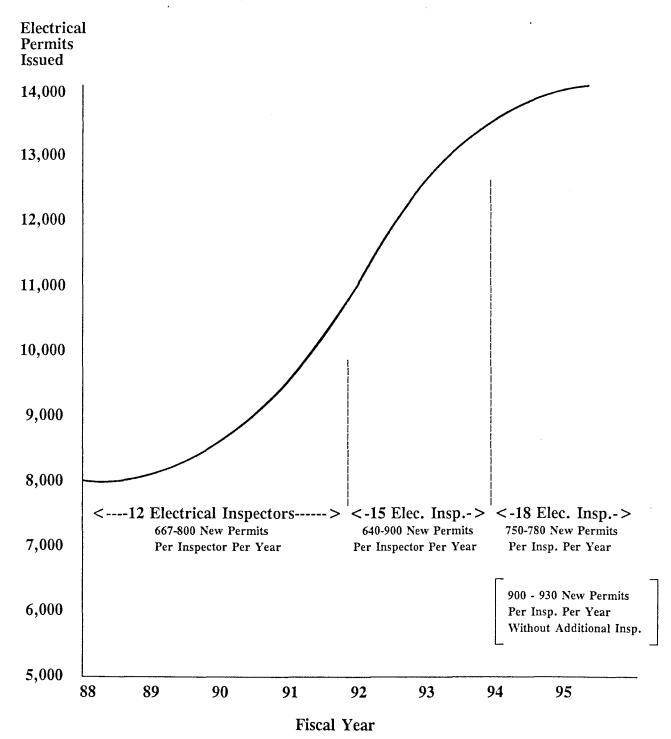
In summary, unless the Bureau can obtain the necessary resources to complete the additional inspections created by SB 227, we must oppose its passage.

Thank you, I'll be happy to answer any questions you might have.

5B 22

# GRAPHICAL REPRESENTATION ©F©—INCREASING CONSTRUCTION ACTIVITY ELECTRICAL PERMITS (FY 88 - FY 95) BUILDING CODES BUREAU

Manageable Electrical Inspector Workload - 600± New Permits Per Year



# BUILDING CODES BUREAU PERMITTING ACTIVITY SUMMARY

BUREAU PERMITS	ACTUAL FY 88	ESTIMATED FY 95	'88-'95 CHANGE	ACTUAL FY 88 ESTIMATED FY 95 '88-'95 CHANGE PROJECTED FY 96 & 97
BUILDING PERMITS	431	068	+106%	1,000
ELECTRICAL PERMITS	8,005	14,000	+ 75%	14,000
PLUMBING PERMITS	803	2,000	+121%	2,400
MECHANICAL PERMITS	314	650	+ 107%	700
PASSENGER ELEVATOR/ ESCALATOR CERTIFICATES	, 853 TES	1,150	+ 35%	1,200

MEMORANDUM

EXHIBIT\_

TO:

Andy Poole, Deputy Director

FROM:

James F. Brown, P.E. Chief, Building Codes/Bureau

DATE:

February 1, 1995

SUBJECT: SB 227

As soon as I found out about LC 1090 (SB 227) I could see that this would add a large additional workload to our present building and electrical inspection staff. I called the building officials of Billings (Kim Palmeiri), Bozeman (Bud Tuss), Kalispell (Craig Kerzman) and Missoula (Pete Mion), who are the four Cities involved with extended areas beyond 1 mile and asked them to provide me with the numbers of building permits that they issued in extended areas involved in 1994. The information that the building officials provided to me follows:

### Numbers of Building Permits Issued in 1994 Extended Areas

### Type of Project

City	New <u>Residential</u>	Remodel/ Addit. Resid.	New <u>Commercial</u>	Remodel/ Addit.Commercial
Billings	146	78	38	35
Bozeman	39	24	4	2
Kalispell	21	20	6	7
Missoula	321	170	36	40
Totals	527	292	84	84

From the above it is obvious that we would have picked up 168 commercial/public projects in 1994 from the areas in question that we would have had to issue State building permits on and conduct plan reviews and inspections. Kalispell does not issue electrical permits in their extended area, so the additional electrical permitting/inspection load would have been 768 new permits in 1994. From these numbers we expect 170 - 200 additional building permits and 750 - 800 additional electrical permits to handle annually as a result of SB 227.

As you know, we feel our building inspectors can handle about 180 new permits/year/inspector and our electrical inspectors can handle about 600 new permits/year/inspector (see attached "Manageable Workloads" summary). If SB 227 passes, the Bureau will need one (1) additional building inspector and one (1) additional electrical inspector to handle the additional workload.



### OFFICE OF THE CITY ATTORNEY

435 RYMAN • MISSOULA, MT 59802-4297 • (408) 523-4614 • FAX: (406) 728-6690

95-050

February 7, 1995

SENATE LOCAL GOVT. COMM.

EXHIBIT NO.\_\_\_\_

DATE 2-7-95

BILL NO. 58 227

Senate Local Government

Re:

Opposition to SB-227 reducing the area in which a municipality

may enforce state building code from 4½ miles to 1 mile

Honorable Senate Local Government Committee Members:

The purpose of this letter is to oppose SB-227 for public health, safety and general welfare reasons. SB-227 proposes to reduce the area in which a municipality may enforce state building codes from 4½ miles to 1 mile.

Pursuant to § 50-60-102, MCA, the state building codes do not apply to "residential buildings containing less than five dwelling units or their attached-to structures" except that currently a municipality is authorized to enforce state adopted building codes to protect the public from hazardous, suspect and shoddy residential construction practices in an area within 4½ miles of a municipality.

If SB-227 is adopted as written, there will be no one enforcing building codes on any residential structures which are less than a five-plex in a substantial portion of the Missoula community's urban area. Four-plexes or less will be allowed to be built without having to comply with state adopted building codes.

SB-227 removes a degree of safety that is currently being provided to Montana citizens in the area from 1 to 4½ miles outside a municipal city limits. The State of Montana Building Division is currently so understaffed that practically speaking it cannot timely and adequately enforce state building codes for industrial commercial buildings and residential apartment units of five-plex or greater size.

State building code enforcement to the State of Montana currently is in some respects a disservice to many Montana citizens. Fatal construction problems as a result of uninspected construction will potentially increase. For example, City of Missoula Building Official Pete Mion informs me that a single family house fire outside of Helena that killed four people last year was within the state's enforcement area; but the state legislature has prohibited the State Building Code Division from enforcing state building codes in residences less than a five-plex. A water heater located under an unprotected exit stair trapped the victims on the upper floor.

Senate Local Government February 7, 1995 Page 2

Further, during the Christmas holidays, several years ago, a couple died in a motel near Saltese, Montana when asphyxiated by inadequate ventilation from an improperly installed space heater.

Please kill SB-227. SB-227 is a disservice to the public safety, health and general welfare of Montana's citizens as well as visitors to Montana. Thank you.

Sincerely,

Jim Nugent
City Attorney

JN:kmr

cc: Alec Hansen

Missoula County Senators

Mayor

City Council

Legislative file

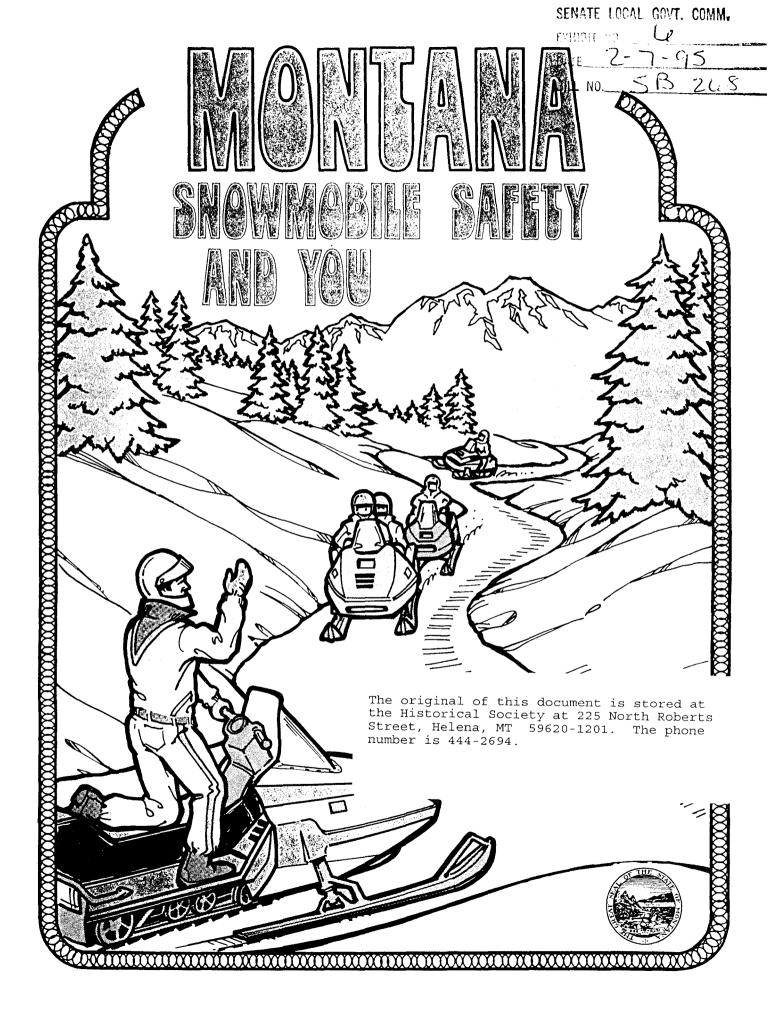
SENATE LOCAL GOVT. COMM.	
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DATE 2-7-95	
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TSB268.SP

Bill No. SB 268
February 7, 1995
Testimony presented by Arnie Olsen
Montana Fish, Wildlife & Parks
before the Senate Local Government Committee

Current Montana law requires a snowmobile operator to possess a valid driver's license when operating a snowmobile on a public road or street that is open to motor vehicles. Many snowmobile destination areas, which rely on snowmobiling as part of their community economic development, are put in an awkward situation which this bill helps to correct. Towns such as West Yellowstone, Cooke City, Lincoln and Seeley Lake allow snowmobiles on their streets so that visitors, residents and families can ride directly from their place of lodging or a snowmobile rental business to a trailhead. This puts young people and anyone without a driver's license in violation of the law when simply traveling to often short distances to a snowmobile trail system. SB 268 would legalize these predominantly young people by requiring a safety certificate and adult supervision as an alternative to a driver's The Department currently works with local volunteers to provide training and safety instructional materials on a voluntary We also have correspondence courses to facilitate the public schedule and to service remote locations. This same network would be used to meet the intent of this legislation and the costs would be borne by the existing snowmobile program.

This bill provides a service to several Montana communities and therefore, the Department supports it and asks this committee to pass SB 268.



DATE 2-1- 95
SENATE COMMITTEE ON Sied Sowin mont
BILLS BEING HEARD TODAY: S.B. 222 SB 227-SB 354
18268

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Check One

Name	Representing	Bill No.	Support	Oppose
Bay White	Self	227	~	
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u James Kembel	City of Billings	1		V
w James Kembel	City of Billings		I	/
MARK WATSON	City of Billings	227		
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Larry Gallagher	City & Kulizpell	227		,
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Jim Wysocki	City of BZN.	227	•	L
Jin Wyskeli	C174 of 132N	254		
Lordon Maris	MACO	222	<b>/</b>	
LArry Brown	Azy Pres. Assoc.	227	V	
John Shortz	my Assoc, REALTORS	227	×	
John Showtz	mt Assor. REALTORS	254	×	

# **VISITOR REGISTER**

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE	
SENATE COMMITTEE ON	
BILLS BEING HEARD TODAY:	

# < ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
Jim Brown	Dept. of Commerce	SB 227		V
STOUR WHITE	SUF	SBZZZ	X	
SUE HAVERFIELD	MACR/KATERO CO	SBNY	X	
BRUCE Willitms JAMES A. LOFFIUS	1 - 1	1		
JAMES A. LOFFTUS	(CALIS DELL CILL MAT FIRE DIST ASSAI	5,3027		
Paul Stanton		5B J 27	V	
Alex ham	MLCT	227		\[ \sum_
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Liz Lodman	FWP 9	268		
Jim Suek	Linespin	268		
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# **VISITOR REGISTER**

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY