

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By CHAIRMAN WILLIAM BOHARSKI, on February 14,  
1995, at 3:00 P.M.

#### ROLL CALL

##### Members Present:

Rep. William E. Boharski, Chairman (R)  
Rep. Jack R. Herron, Vice Chairman (Majority) (R)  
Rep. David Ewer, Vice Chairman (Minority) (D)  
Rep. Chris Ahner (R)  
Rep. Shiell Anderson (R)  
Rep. Ellen Bergman (R)  
Rep. John C. Bohlinger (R)  
Rep. Matt Brainard (R)  
Rep. Matt Denny (R)  
Rep. Rose Forbes (R)  
Rep. Antoinette R. Hagener (D)  
Rep. Bob Keenan (R)  
Rep. Linda McCulloch (D)  
Rep. Jeanette S. McKee (R)  
Rep. Norm Mills (R)  
Rep. Debbie Shea (D)  
Rep. Joe Tropila (D)  
Rep. Diana E. Wyatt (D)

Members Excused: None

Members Absent: None

Staff Present: Bart Campbell, Legislative Council  
Evelyn Burris, Committee Secretary

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

##### Committee Business Summary:

Hearing:	HB 417; HB 421; HB 425; HB 438; HB 530
Executive Action:	HB 231 DO PASS
	HB 259 DO PASS
	HB 260 DO PASS
	HB 270 DO PASS AS AMENDED
	HB 289 DO PASS AS AMENDED
	HB 303 TABLED
	HB 358 TABLED
	HB 361 TABLED
	HB 397 TABLED
	HB 398 TABLED
	HB 417 DO PASS
	HB 421 DO PASS
	HB 425 DO PASS
	HB 438 TABLED
	HB 530 DO PASS AS AMENDED

**HEARING ON HB 417****Opening Statement by Sponsor:**

**REP. NORM MILLS, HD 19, Billings,** presented HB 417, which is an act allowing the governing body of the city to determine how many city judges the city court will have. The bill addresses the increased caseload in the city of Billings and the effects on other city court systems in Montana.

**REP. MILLS** cited the statistics for FY 1992-93 where the records show 21,381 cases in the city court compared to 20,025 in 1991-92. This is a 6.7% increase over the previous year. Of these cases, 3,000 were criminal cases which means 81 cases on a daily basis had been filed. Traffic charges have increased from 13,123 to 14,335 which is a 10% increase. There has been a 4% increase in DUI charges. The court system can no longer be considered just a traffic court because the charges are of a much more serious nature than in past years. It is impossible for one judge to continue to handle the increased caseload in a timely and effective manner. Delays often approach the statutory time limit and under current law, Montana cities are only allowed one city court judge. This is the restriction this bill will change.

**REP. MILLS** explained the municipal court specifications in the Montana Code Annotated and distributed charts showing traffic charges for the years 1990-93. **EXHIBIT 1**

**Proponents' Testimony:**

**Dennis Paxinos, Yellowstone County Attorney,** spoke in favor of HB 417 and addressed the continuing increased caseload for the city of Billings and the effect on other cities in Montana that have a city court system. It takes more of the judges' time with the increase of reporting domestic abuse and temporary restraining orders. Also, counseling imposes direct contact. The city court in Billings generates \$1 million in revenue. The burden needs to be taken off one person and passage of this bill would allow cities to add an extra judge.

**Judge Gayle Stewart, City Court Judge, Billings,** presented written testimony and spoke in favor of HB 417 reiterating the importance of the bill. **Judge Stewart** provided background in the operation and jurisdiction of city court, stating it is imperative that the cities have the ability to elect or appoint an additional City Judge to handle the increasing caseloads and keep within the statutory time limitations. **EXHIBIT 2**

**Bob Gilbert, Montana Magistrate Association, Courts of Limited Jurisdiction,** said this bill is an excellent example of permissive legislation and asked the committee to support HB 417.

**Jim Nugent, City Attorney, Missoula, and Leagues Legislative Committee Chairman,** stated this is a much needed authorization

with the greater burden that is continually being placed on the lower courts. He recapped all the additional laws that have been enacted creating this necessity.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

The sponsor closed and noted there will be no cost to the state of Montana for this service as the cost is borne by the city, therefore it should be their decision to buy the service.

#### HEARING ON HB 530

Opening Statement by Sponsor:

REP. BILL WISEMAN, HD 41, Great Falls, made his opening remarks for HB 530 which deals with an act implementing the recommendation of the Governor's Task Force to Renew Montana State Government by creating an alternative accounting method for local government entities. He read three quotes from the governor's task force:

The finance and budget administration law for local government needs to be re-written and made more concise.

The law needs to be changed to refine the relationship between budgets in a financial year.

Accounting and financial reporting in particular can be virtually done away with in the state law by referring to national recognized standards which are not only vastly superior to current state law, but must be followed for governments wishing to access national credit markets.

REP. WISEMAN reviewed the sections of the bill.

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Proponents' Testimony:

Laurie Ekanger, Governor's Office, stated that the Governor has accepted the recommendation of the local government task force. This bill provides an opportunity for cities and counties to professionalize their accounting and auditing practices. There are 150 pages in law of bookkeeping requirements for cities and counties, most of which predate generally accepted accounting

principles and automation. This bill would allow compliance with nationally recognized standards that are propagated by the Government Accounting Standards Board. **Ms. Ekanger** said they felt this is good government for local government and consistent with what they do at state level. She urged the committee's support.

**Tim McGee, Finance Director, City of Great Falls**, said he has worked with the Department of Commerce on this bill and has researched what it would take and what type of laws it would supersede. This bill is an alternate that can be done if there is a clean audit and has proven the abilities in the area of accounting and if not, they would not qualify to get into this bill. It does not eliminate any of the state laws that exist for the vast majority of entities that would choose to stay under them. It does put stricter standards of General Separate Accounting Principles and Generally Accepted Audit Standards (GAP). It also calls for more timely addressing of the budget. **Mr. McGee** reviewed what current law states in this matter.

**Newell Anderson, Montana Department of Commerce**, said they stand in favor of HB 530 for the reasons mentioned. This bill would protect the disclosure of public accounting and public reporting with finances. It would also protect the public accountability of the use of funds throughout local government. He presented and explained the amendments to the committee.

**Gordon Morris, Director, Montana Association of Counties**, stated their support for HB 530.

**Alec Hanson, Montana League of Cities and Towns**, spoke in support of HB 530.

**Jim Nugent, City Attorney, Missoula**, reiterated support of HB 530.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses:

**REP. DAVID EWER** asked **Mr. Anderson** if he sees a day when all of the statutes will be repealed and they will just make reference to municipal general accounting standards. **Mr. Anderson** responded in the affirmative. He said there are those local governments that are not ready for this lack of prescription with reference to setting dates and having certain things prescribed by law. There are 1,430 jurisdictions of local government and some do need the blue print--as antiquated as it may be--as prescribed in existing statutes.

**REP. EWER** asked **Mr. McGee** if they will get the national award for following GAP accounting. **Mr. McGee** said they have submitted for

it this year. They have the national award for distinguished budget presentation. **REP. EWER** asked if there are any conflicts in following national recognized GAP accounting and if they are "out of sync" with the state. **Mr. McGee** responded that in some cases they have to violate some of the state laws because they are contradictory, so they have to choose which way they are going to go and have a state law to support this. The Department of Commerce has been very good about working with the generally accepted accounting principles and has not restricted them in any way from applying and accepting in lieu of some of the more detailed requirements they may have. He explained the format of reporting.

**REP. EWER** asked if citizens might find it confusing to be aware of the process that has been in the state for 100 years. **Mr. McGee** responded no, he does not see that as a problem. He explained they have already adopted a budget tentatively scheduled to be adopted by June 21. They are requiring the departments to have them in by February 17 and they will go to the commission in May. There will also be a hearing process.

**REP. TONI HAGENER** asked if the accounting principles being suggested are going to be compatible with the state. **Mr. McGee** responded yes. **REP. HAGENER** questioned the effective date. **Mr. McGee** responded if they wait until October, they will have to wait a year to do the budget by this standard.

**CHAIRMAN WILLIAM BOHARSKI** questioned the July 1 deadline for the final budget, and asked if that is the first day of the next fiscal year. **Mr. McGee** said if they complete it that day, they have it in place that day and will do it by resolution which is one of the budget laws. **CHAIRMAN BOHARSKI** questioned having the budget done the day after the fiscal year closes. **Mr. McGee** responded they will have their budget done on or before that so it is done by July 1st.

**CHAIRMAN BOHARSKI** asked what percentage of towns are not going to be able to meet GAP standards and what percentage are going to follow these procedures. **Mr. Hanson** responded the larger cities will take advantage of this law and go with the GAP arrangement. It will take some time for the smaller cities to get to this, but believes eventually they will see the advantage of doing it that way.

**CHAIRMAN BOHARSKI** asked **Mr. Morris** about consistency of notice, referring to page 2, line 29, and asked if that would apply to consistent advertising previously discussed. **Mr. Morris** responded that the hearing language on page 12 is inconsistent with the language they discussed in terms of 7-12121, which from his perspective, would be the controlling language for publication of notice for all purposes associated with the county. **CHAIRMAN BOHARSKI** asked if the new Section 4 should be made pursuant to the same. **Mr. Morris** agreed.

**Closing by Sponsor:** The sponsor closed.

**HEARING ON HB 421**

**Opening Statement by Sponsor:**

REP. DAVID EWER, HD 45, Helena, made his opening remarks and gave the major thrust and background for HB 421 which is an act revising the laws on county hospitals; providing for county health care facilities; providing for the pledge of taxes to the repayment of certain bonds; authorizing the construction, leasing, and financing of health care facilities; clarifying that certain bonds may be issued without election. This will define the appropriate mission for county government to provide medical services and would attempt to bring the current, out-of-date statutes into the modern era. REP. EWER reviewed the sections of the bill and pointed out the inconsistencies in the codes and major points.

**Proponents' Testimony:**

Mae Nan Ellingson, Attorney, Dorsey & Whitney, Missoula, distributed her testimony giving a section-by-section description of the changes in the bill. Ms. Ellingson said in general, the bill proposes expanding references to county "hospitals" to certain "health care facilities." This bill needs to be enacted because the bill no longer works in rural counties. There is a provision of law that says if a county already has a hospital, they cannot issue bonds to finance any other health care institution. This has been interpreted by the Attorney General's Office that if there is a hospital, they could not build a nursing home adjacent to the hospital nor could they issue new bonds to renovate, remodel or expand that hospital if the circumstances warranted it. She gave an example of Toole County wanting to construct a personal care facility.

Ms. Ellingson said the definition of hospital is much more narrow than it should be in terms of what counties actually need to do. This bill will clean up inconsistencies that currently exist in various provisions of Title 7 in parts 34 and 7. **EXHIBIT 3**

Bob Olsen, Montana Hospital Association, spoke in support of HB 421 and said they helped craft the bill. Most of the county facilities that exist in the state today are not limited to only hospital services, but are diversifying into a variety of other community services. This is the kind of flexibility that the modern statutes have to provide for local governments.

Gordon Morris, Director, Montana Association of Counties (MACO), said he also helped on this legislation and believes it is carefully crafted. He asked for favorable consideration.

Bill Rappold, Chairman, Board of Commissioners, Pondera County, said they have a combined hospital and nursing home. He attested this legislation is long overdue and urged a do pass.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

The sponsor closed saying this bill would help further the ability for a county to construct facilities such as a doctor's office next to a hospital and lease it to the physicians.

HEARING ON HB 425

Opening Statement by Sponsor:

REP. BOB KEENAN, HD 75, Bigfork, stated he is carrying this bill for county treasurers requiring payment of property taxes before final approval of a subdivision plat.

Proponents' Testimony:

Cort Harrington, County Treasurers Association, said in 1993 the legislature passed what became Chapter 366. He explained some of the changes in this bill and the purpose of certain language.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor: The sponsor closed.

HEARING ON HB 438

Opening Statement by Sponsor:

REP. MATT BRAINARD, HD 62, Missoula, made his opening remarks, stating this bill is an act requiring a city to obtain approval of annexation by a majority vote of the electors of the city.

This is an attempt to clear up many of the annexation problems.

REP. BRAINARD explained the code on annexation to form a municipality and the controversy when unincorporated areas become annexed.

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**Proponents' Testimony:**

**James Lofftus, President, Montana Fire District Association,** spoke in favor of HB 438 and said it would give people the right to determine their own destiny and he urged favorable consideration.

**Jay Sage, Missoula,** submitted his and **Svea Sage's** written testimony urging support of HB 438. **EXHIBITS 4 and 5**

**Fred Happel, Montanans For Better Government,** said they strongly support this bill because it would bring an element of fairness in the annexation process and lets the people, who will pay the bill, determine their own destiny.

**John Brawer, Missoula,** representing the **East-West Reserve Street Home Owners Association,** with 131 residents, explained the sewer incentive plan in their particular annexation proceeding that they felt was unfair. **Mr. Brawer** submitted letters from **Charles Hackman** and **Douglas Daniels,** residents of the Home Owners Association. **EXHIBITS 6 and 7**

**Jack Grover, Missoula,** presented written testimony in support of HB 438. **EXHIBIT 8**

**Paul Laisy, Missoula,** reiterated previous testimony and presented personal testimony in support of HB 438.

Letters from **Wilma Sage, Douglas Zimmerman, Becky Schwartz, John Schwartz III, Douglas Laisy, Joshia D. Stewart, Frank Neilsen, John Fidler, Mrs. Campbell** and **Tsoni Hansen, Missoula Residents,** are included as **EXHIBITS 9 - 18** supporting HB 438.

**Opponents' Testimony:**

**Douglas Rauthe, Mayor, Kalispell,** spoke in opposition to HB 438 saying he represents one of the fastest growing cities and counties in Montana where growth, development and planning are all issues. They have to be able to do the job they are elected to do and nationwide, annexation is one of the tools to promote orderly development, and preservation of the ecology and environment. He challenged the question of state government being mandated to take control of cities and having the knowledge of being experts on how cities should run their business.

**Jim Kembel, City of Billings,** said they anticipate the cost for elections to be between \$25,000 - \$30,000. They are conducting annexations that involve two to five acres and are doing an average of twelve annexations per year, which is a substantial amount of money.

**Jim Nugent, City Attorney, Missoula,** said he was appearing at the request of **Mayor Dan Kemmis** to speak in opposition to HB 438. He clarified the fundamental purpose of a municipality and discussed



the study and report conducted by the interim legislative committee on annexation problems in 1979-80. He suggested there is a need for statutes that will facilitate rural fire districts and municipal governments working together in a more cooperative fashion.

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**Mr. Nugent** discussed the problem of property tax relief and restricting municipal governments ability to take densely populated urban areas. **Mr. Nugent** related some history in respect to the city of Missoula's proposed consolidation in the 1970s and again in the 1980s that was voted down by a substantial margin.

**Larry Gallagher, Director of Planning, Economic and Community Development, Kalispell**, said HB 438 is punitive legislation and would do tremendous damage to the tool kit of city authority and would destroy the ability to do things needed to be done. He stated this is also an insult to the tremendous effort that has gone on over the past years. He urged the committee to not consider this bill further.

**Alec Hanson, League of Cities and Towns**, stated their opposition to HB 438 and said this is the fifth annexation bill and represents the worst of all. He spoke about the contradictions between this measure and SB 52 that the committee passed out last week. **Mr. Hanson** said this bill restricts the annexation authority of cities and towns and urged the committee to reject this bill.

**Kathy Macefield, Planning Director, City of Helena**, submitted her written testimony in opposition to HB 438. **EXHIBIT 19**

**Ann Hedges, Montana Environmental Information Center**, said in the name of ground water protection, they oppose HB 438.

**Tim Magee, Finance Director, Great Falls**, said they oppose this bill and if time would have permitted he would have provided some statistical data on costs to put in the tax levy structure for the city of Great Falls.

Informational Testimony: None

Questions From Committee Members and Responses:

**REP. EWER** asked **REP. BRAINARD** about the liability of cities to have growth in an orderly fashion. **REP. BRAINARD** responded this bill has been characterized as an anti-annexation bill and he thinks of it as a new tool toward annexation that would provide a clear understanding where communities are going. With the citizens' input in elections and a thorough understanding on how the city expects to grow, they will achieve better effects.

REP. EWER asked if there is concern that this approach is going to hamper the ability to provide water and sewers to areas outside the city. REP. BRAINARD responded because of the density, cities and incorporated areas should be able to provide services at a much lower cost because of the economies of scale which is the original logic behind cities. It is easier to provide fire service, law enforcement and medical services.

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REP. EWER questioned the ramifications if cities found themselves so constrained as far as annexing they would disincorporate and want to become county citizens. REP. BRAINARD said reality will dictate itself to those people and they will have to support the services.

REP. NORM MILLS asked for the rationalization requiring the cities to spend \$30,000 for every election that passage of this bill would cause. REP. BRAINARD answered that a city and county that is in a mode of rapid expansion will look at the areas that are being developed and decide ahead of time how much they want to take in for the year, what the normal expansion rate is and get some logic behind things they are doing.

REP. MILLS said several years ago Billings had the "swiss cheese" operation and islands of unincorporated areas throughout the city. He asked if this bill would have been in effect, then every time they wanted to annex and secured an agreement from the people that owned the property, would there have to be a city election as well as elections of people in their little areas. REP. BRAINARD said he believed that would be possible depending on the size and scope of the annexation plan. The city, county and people need to plan out what areas are going to be developed and have a vote to see where the debt is going to go.

REP. MILLS said he does not believe that it is the prerogative of the city and county to decide when someone provides a plat for a subdivision. He asked if that would not be a decision of the property owner. REP. BRAINARD said that is true and he sees no reason why there could not be a schedule of people who would want to plat a subdivision and schedule it on a repetitive basis.

REP. MILLS asked if there should be a schedule when people renew their driver's license and auto license. REP. BRAINARD responded they do schedule their auto licenses.

REP. DIANA WYATT asked if he believed people in the county should be taxed for any services within the city which they do not use. REP. BRAINARD responded he has yet to see in his own community people getting services from the city that they are not paying for. REP. WYATT said for city streets maintenance, do they use those. REP. BRAINARD said they do when they visit merchants in town and make purchases and support the businesses within the city. REP. WYATT asked if they pay for those. REP. BRAINARD

responded they do, through purchases at businesses in town who, in turn, pay taxes to support the infrastructure.

**REP. WYATT** asked if the city should pay for services that are used only in the county. **REP. BRAINARD** said in the areas of commerce, the businesses pay the taxes to support the infrastructure so people can come and do their business. **REP. WYATT** said she is talking about mosquito, weed control spraying, etc., which is taken care of in the county that is not a product of the city, so should city residents pay for this. **REP. BRAINARD** responded that is a matter of equity and different than what they are talking about with annexation. There may be inequities in city and county taxation, but he did not intend to address that with this legislation.

**REP. WYATT** asked **Mr. Magee** to give a breakdown on the costs in Cascade County versus Great Falls. He responded the city of Great Falls is 20.34% of the taxes that are levied over the overlapping area; 59% is school and 19% is county. The numbers are .34% on market value and is what the cost would be on the city taxes, depending on what size house. Most of the development going on outside of Great Falls are the richer people who are using the services, but are not paying for them. He said SIDs are a different issue.

**Closing by Sponsor:**

The sponsor addressed opponents' concerns and closed by saying there are a lot of questions in local government and the way that Montana is going to grow. He believed this bill would assist communities in growing in a responsible manner.

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**EXECUTIVE ACTION ON HB 231**

**Motion/Vote:** **REP. ROSE FORBES** MOVED HB 231 DO PASS. The motion carried 11-6 with **REPS. BOHARSKI, HERRON, BRAINARD, DENNY, KEENAN** and **WYATT** voting no.

**EXECUTIVE ACTION ON HB 259**

**Motion:** **REP. JACK HERRON** MOVED HB 259 DO PASS.

**Motion/Vote:** **REP. BOB KEENAN** MADE A SUBSTITUTE MOTION TO TABLE. Motion failed.

**Discussion:**

**REP. HERRON** referred to line 21, "not to exceed \$10" and recommended that \$75 would bring it into modern times.

REP. ROSE FORBES said with some of the activities that take place after curfew hours in Great Falls and the damage done to property, \$75 is not enough and she supported this bill.

Vote: The motion carried 14-4 with REPS. KEENAN, SHEA, TROPILA and WYATT voting no.

#### EXECUTIVE ACTION ON HB 260

Motion: REP. SHIELL ANDERSON MOVED HB 260 DO NOT PASS. REP. MILLS MADE A SUBSTITUTE MOTION TO TABLE.

Discussion: REP. EWER said he is sympathetic with REP. TUSS' desires to try to "carp out" Black Eagle. If people want to accept the do not pass and table motions, he will offer an amendment that is directed at carping out Black Eagle. He discussed the language on line 13.

Vote: The motion to table carried 12-6 with REPS. AHNER, BRAINARD, DENNY, MCCULLOCH, SHEA and WYATT voting no.

#### EXECUTIVE ACTION ON HB 270

Motion: REP. MCCULLOCH MOVED HB 270 DO PASS.

Discussion:

REP. ANDERSON questioned if this bill is passed as is, does it mean Lolo will be proposed to be included as part of a transportation district out of Missoula. It would only take one real property owner to petition to include it in the district, however it would take 51% of the electors, so his amendment would have to qualify electors and real property owners. He referred to line 11, to include "real property owners," clarifying they could only get one vote.

REP. MCCULLOCH said it would only take in the person petitioning under the language of the bill. In Missoula, all the senior citizens want the bus to go to Wal-Mart. If Wal-Mart petitions, then only Wal-Mart will be paying in, not everyone around them.

REP. MILLS said he does not read the bill that way as REP. MCCULLOCH explained it. He said once Wal-Mart petitioned to be in the area added to the district it doesn't mean they are the only ones that will pay. Everyone in between will pay.

REP. HERRON asked if the petition was to extend two blocks to Missoula.

REP. MILLS said it will affect anybody in the whole state and not just two blocks and it will be some other distance in some other town.

REP. BRAINARD referred to line 13 and suggested adding "real property owner be contiguous to the present district, could add on." He said that would fit the Wal-Mart situation.

REP. ANDERSON said he stands corrected and after researching the bill, he feels it is fine as it is.

CHAIRMAN BOHARSKI asked where the contiguous language is in the bill and asked REP. MCCULLOCH if that was the intention with the bill. REP. MCCULLOCH responded no and explained the intent.

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CHAIRMAN BOHARSKI asked how the revenues of the transportation district are collected. REP. MCCULLOCH explained if Lolo wanted to get bus service and got a petition signed by 51% of the qualified electors of the area, then all of Lolo would be paid into the transportation district.

REP. MILLS disagreed saying everybody within the boundaries that reestablish has to pay.

REP. ANDERSON referred to line 13 suggested striking the word "the" and add "a real property owner may petition to have that property included in a district."

Motion/Vote: REP. ANDERSON MOVED HIS AMENDMENT. Voice vote taken. Motion carried with REPS. WYATT and MILLS voting no.

Motion: REP. ANDERSON MOVED HB 270 DO PASS AS AMENDED.

Discussion:

REP. MILLS disagreed that it does not take care of the problem of who has to pay. It restricts the fact that he can ask to have his property included, but it does not define who is going to be included in between him and the previous boundary, which makes it wide open for gerrymandering.

CHAIRMAN BOHARSKI said that is taken care of with subsection (3). REP. MILLS and CHAIRMAN BOHARSKI agreed that it would be with the board, not the people.

REP. MCCULLOCH gave examples of how the petitioning of the districts works.

CHAIRMAN BOHARSKI explained the concern of REP. MILLS stating that if a business like Wal-Mart that is five miles away from the boundary of the transportation district, petitions to come in a very busy route and the bus runs out to the area six or seven times a day, the concern is that all of the people who live in the transposition district are going to have to pay to subsidize the cost of the bus going out the extra five miles. Since the

areas are not contiguous, all the other people are now going to have to pay a portion.

REP. BRAINARD suggested putting in the wording "the real property owner may contract to have his property as a destination."

REP. MILLS said that is already permissible.

REP. MCCULLOCH disagreed putting in the suggested language.

REP. EWER discussed the different issues being focused on and concluded this is an issue that can be addressed by the transportation board. He said the primary beneficiaries are the citizens of the transportation district. REP. EWER stated his support of the bill that the local board make the decision and he felt this is a good bill for public policy.

REP. DENNY interjected that this particular Wal-Mart question is in his legislative district.

Motion/Vote: REP. MCCULLOCH MOVED HB 270 DO PASS AS AMENDED.  
Motion passed 13-5 with REP. TROPILA voting aye by proxy and REPS. BOHARSKI, HERRON, KEENAN, MILLS and WYATT voting no.

#### EXECUTIVE ACTION ON HB 289

Motion: REP. HERRON MOVED HB 289 DO PASS.

Discussion: Mr. Campbell stated he had some amendments.  
EXHIBIT 20

CHAIRMAN BOHARSKI explained that the amendments were brought in by the Public Service Commission because if the requirement to review is no longer there, there was no reason to require the annual report.

Motion/Vote: REP. HERRON MOVED HIS AMENDMENTS. Motion carried unanimously.

Motion/Vote: REP. ANDERSON MOVED HB 289 DO PASS AS AMENDED.  
Motion passed 12-6 with REPS. BRAINARD, DENNY, KEENAN, WYATT voting no. REPS. SHEA and TROPILA voted no by proxy.

#### EXECUTIVE ACTION ON HB 303

Motion: REP. ANDERSON MOVED HB 303 DO PASS. REP. DENNY MOVED THE AMENDMENTS. EXHIBIT 21

Discussion: REP. DENNY explained the language in his amendment.

REP. BERGMAN questioned what problem this bill would attempt to "cure."

**REP. DENNY** explained that the problem is that public officials are using public money and time to pursue political ends and he wanted a stop to this practice. He attested to the problem in Missoula on the election to get money for repairs to Highway 93. The day after the gas tax failed they found the money; however, county resources were used and the county-paid time was used to campaign for this particular vendor. He does not feel this was appropriate.

**CHAIRMAN BOHARSKI** inquired about the language regarding the issue.

**REP. DENNY** explained the language.

**REP. HERRON** asked if this is based on just one instance in a particular area or is it a statewide problem. **REP. DENNY** recounted the testimony by the State Administration Committee regarding **REP. FORBES'** bill which would similarly, and more sweepingly, prohibit the use of public time to support political services, concluding that this is a statewide issue.

**REP. FORBES** discussed her bill that restricts the use of public funds and clarifying the law that is currently in place. She attested that she was overwhelmed with literature from all over the state with situations that would appall everyone. It is taking place in all levels of government in many different ways, so this is a good bill.

**CHAIRMAN BOHARSKI** questioned not answering **REP. BERGMAN'S** question on the particular wording of where it is in the bill prohibiting the use of public time and public money.

**REP. DENNY** explained it deals with politicking in the courthouse, passing petitions around, and officers in local government using their influence over employees to get participation and support for various political causes. He cited the incident in Missoula County on petitions being passed around for employees to sign. He doesn't feel that even the appearance of supervisory personnel influencing people is appropriate in this regard.

**CHAIRMAN BOHARSKI** referred to subsection (3), and questioned the language. **REP. DENNY** responded it would be "personal, political activity."

**CHAIRMAN BOHARSKI** discussed the language, further stating it doesn't clearly specify the intent.

**REP. MCKEE** questioned the conflict between this bill and a bill that may be coming from the Ethics Committee. **REP. DENNY** responded that there is a problem in the language of the bill in regards to political activity and needs more work.

**Motion/Vote:** **REP. DENNY MOVED HB 303 BE TABLED. Motion carried unanimously.**

REP. EWER disagreed and said he was on this committee two years ago and it was not tabled. It passed in the house and they fought hard for it and those that do support this bill are still right. He attested his feelings and stated this is a statewide issue and he strongly supports HB 361.

REP. FORBES stated her reasons for opposing HB 361.

REP. MCCULLOCH stated this bill addresses and impacts senior citizens, single parents and students.

Motion/Vote: REP. KEENAN MOVED HB 361 TABLED. Motion carried with REPS. EWER, BOHLINGER, MCCULLOCH and SHEA voting no.

#### EXECUTIVE ACTION ON HB 397

Motion: REP. DENNY MOVED HB 397 DO PASS. REP. DENNY MOVED HIS AMENDMENTS. EXHIBIT 22

#### Discussion:

REP. DENNY reviewed the amendments brought by the Health Department and that were approved by the Department of Health and Environmental Sciences (DHES).

Mr. Campbell stated he was not sure they recommended the amendment. His understanding was REP. CAROLYN SQUIRES requested the particular amendments and this is in agreement with the language in the amendment.

Vote: Motion carried with REPS. HAGENER and TROPILA voting no.

Motion: REP. BRAINARD MOVED HB 397 DO PASS AS AMENDED.

#### Discussion:

REP. MILLS said the amendment reverses the direction of the bill.

REP. EWER discussed the public health issues and said this is something out of the 1920s and urged the committee to not pass HB 397.

Motion/Vote: REP. WYATT MOVED HB 397 BE TABLED. Motion carried with REPS. BOHARSKI, BRAINARD, DENNY and MCCULLOCH voting no.

#### Discussion:

REP. BRAINARD said as a point of information, there has not been a septic system explode inside a house devastating it with sewage the way they had a sewer system do, that was installed by the city.



REP. DENNY explained his reason for moving the amendment to this bill. Mr. Campbell said REP. SQUIRES told him she did not want anything in the amendment about the distance from the main sewer line.

EXECUTIVE ACTION ON HB 398

Motion: REP. WYATT MOVED HB 398 DO NOT PASS. REP. BERGMAN MOVED TO TABLE HB 398.

Discussion: CHAIRMAN BOHARSKI asked if anyone wanted to say anything before REP. BERGMAN moved to table this bill. The answer was no.

Vote: Motion carried 14-4 with REPS. DENNY, MCCULLOCH, BRAINARD, and CHAIRMAN BOHARSKI Voting no.

EXECUTIVE ACTION ON HB 417

Motion: REP. MILLS MOVED HB 417 DO PASS.

Discussion: REP. BERGMAN said the city is the one who really has to approve another city judge and this gives them the opportunity to do it. REP. MILLS responded yes, it is purely enabling legislation.

{Tape: 2; Side: B.}

Vote: Motion carried unanimously.

EXECUTIVE ACTION ON HB 421

Motion/Vote: REP. EWER MOVED HB 421 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON HB 425

Motion/Vote: REP. KEENAN MOVED HB 425 DO PASS. Motion carried 17-1 with REP. SHEA voting no.

EXECUTIVE ACTION ON HB 438

Motion: REP. BRAINARD MOVED HB 438 DO PASS.

Discussion: REP. BRAINARD addressed REP. MILLS and said in the previous voting, Billings clearly annexed more then their judge could handle. REP. MILLS responded said that could be right but it could also allow trucks driving through.

**Motion/Vote:** REP. HERRON MADE A SUBSTITUTE MOTION HB 438 BE TABLED. Motion carried 13-5 with REPS. BOHARSKI, BRAINARD, DENNY KEENAN and MCCULLOCH voting no.

**EXECUTIVE ACTION ON HB 530**

**Motion:** REP. FORBES MOVED HB 530 DO PASS. REP. EWER MOVED THE AMENDMENTS.

**Discussion:**

REP. EWER said on page 1, line 28 he moved that the word "auditing" be changed to "accounting." Page 2, line 13 change "federal accounting standards advisory board" to "governmental accounting standards board"; line 23, he moved to say "cause an annual audit and".

REP. MILLS said on page 2, line 10 strike "local" out before "government". Mr. Campbell said they are not striking "local."

REP. EWER continuing; page 1 line 26 the sentence end with the word "town" and strike as defined in 275017.

Mr. Campbell referred to page 1, line 26, and explained the change.

REP. MILLS asked if that meant the towns incorporated. Mr. Campbell responded yes. REP. MILLS asked about unincorporated. Mr. Campbell said they are not a local government entity under the traditions of this bill.

CHAIRMAN BOHARSKI asked for clarification on the striking of the language on page 2, line 23. Mr. Campbell further explained the striking of language in various sections.

REP. DENNY questioned on page 2, line 13, "Federal Standards Accounting Advisory Board" and asked if the name of the board is something else. REP. EWER said Governmental Accounting Standards Board is the right name.

CHAIRMAN BOHARSKI questioned striking the language on line 23. REP. EWER responded said that was what Newell Anderson suggested be done. REP. EWER said he would change his amendment to remove the portion that strikes the last words on page 2, line 23.

**Vote:** Motion to approve REP. EWER'S amendments carried unanimously.

**Motion:** CHAIRMAN BOHARSKI MOVED HIS AMENDMENT ON PAGE 2, LINE 29 AND 30.

Discussion:

CHAIRMAN BOHARSKI said the language on line 29 and 30 conflicts with what MACO is interested in doing and he explained the rationale.

REP. EWER stated his support of this amendment.

Vote: Motion carried unanimously.

Motion/Vote: REP. WYATT MOVED HB 530 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 129

Motion: REP. BOHLINGER MOVED HB 129 BE RECONSIDERED.

Discussion: REP. BOHLINGER explained his rationale for reconsideration of HB 129.

CHAIRMAN BOHARSKI concurred with this motion.

REP. MCKEE said at the time of the hearing, a lot of people were in strong opposition to HB 129 and REP. RANEY has also said that is no longer the case. She requested the opportunity to make a phone call before further action on this bill be taken.

REP. BOHLINGER agreed to take up this consideration on Thursday.

HOUSE LOCAL GOVERNMENT COMMITTEE


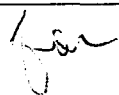
February 14, 1995

Page 21 of 21

ADJOURNMENT

Adjournment: 6:50 PM.

  
WILLIAM BOHARSKI, Chairman

  
 EVY BURRIS, Secretary

WB/eb



## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 231 (first reading copy -- white) do pass.

Signed: Wm E Boharski  
Bill Boharski, Chair

A handwritten signature, possibly "JZ", is written above the committee vote line.

Committee Vote:  
Yes 11, No 6.

391316SC.Hbk



## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 270 (first reading copy -- white) do pass as amended.

Signed: Wm E Boharski  
Bill Boharski, Chair

And, that such amendments read:

1. Page 1, line 13.  
Strike: "the"  
Insert: "that owner's"

-END-

JS.  
Committee Vote:  
Yes 13, No 5.

391313SC.Hbk




## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that **House Bill 259** (first reading copy -- white) **do pass**.

Signed: Bill Boharski  
*Bill Boharski, Chair*

  
Committee Vote:  
Yes 14, No 4.

391315SC.Hbk

EXECUTIVE ACTION ON HB 358

Motion: REP. BRAINARD MOVED HB 358 DO PASS.

Discussion:

REP. ANDERSON urged reconsideration to table this bill. He explained why he felt the bill was necessary and reiterated his testimony regarding the Bozeman area saying the people who have built around small tracks of farm ground because they want the open air and by doing so, the person that develops last loses out under present law. This is because he can be zoned in since they have the numbers in votes, even though they do not have the numbers in property. They can effectively cut him out of any development activity. If they are not the first ones to subdivide, they get left out. Under this bill, people who are proposing to zone are still able to zone the property they occupy.

CHAIRMAN BOHARSKI questioned the language regarding freeholder and property owner. Mr. Campbell responded that in this case, the use of the word "freeholder" only means real property owners and doesn't mean the resident tied to it.

Vote: Motion failed 8-10 with REPS. BOHARSKI, ANDERSON, BOHLINGER, BRAINARD, DENNY, FORBES, MCCULLOCH and MILLS voting yes.

Motion/Vote: REP. MILLS MOVED HB 358 TABLED. Motion carried.

EXECUTIVE ACTION ON HB 361

Motion: REP. BOHLINGER MOVED HB 361 DO PASS.

Discussion: REP. BOHLINGER explained the bill and said landlords are offered an opportunity to protect their property through a rental agreement.

REP. BRAINARD spoke in opposition of HB 361 stating the municipality has the right to zone single family housing. He explained his personal experience of what properties were like in Missoula prior to the bill. With passage of this bill, students will be extorted into packing into housing that eventually will cause them to become substandard.

REP. ANDERSON said this is an example of statewide zoning and these decisions should be left to local communities.

REP. BERGMAN said this same bill was dealt with two years ago and for the same reasons it was decided this is a local issue and local zoning and the bill was tabled.





## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1


Mr. Speaker: We, the committee on Local Government report that House Bill 289 (first reading copy -- white) do pass as amended.

Signed: Wm E Boharski  
Bill Boharski, Chair

And, that such amendments read:

1. Title, line 6.  
Following: "UTILITIES;"  
Insert: "ELIMINATING THE REQUIREMENT FOR AN ANNUAL REPORT;"
2. Title, line 7.  
Strike: "SECTION"  
Insert: "SECTIONS"  
Following: "69-7-102"  
Insert: "AND 69-7-121"
3. Page 1, line 22.  
Strike: "Section"  
Insert: "Sections"  
Following: "69-7-102"  
Insert: "and 69-7-121"

-END-

  
Committee Vote:  
Yes 12, No 6.

391312SC.Hbk



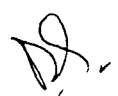
## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 398 (first reading copy -- white) do not pass.

Signed: Bill Boharski  
Bill Boharski, Chair

  
Committee Vote:  
Yes 14, No 4.

391404SC.Hbk



## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 417 (first reading copy -- white) do pass.

Signed: Wm E Boharski  
Bill Boharski, Chair

DS.  
Committee Vote:  
Yes 12, No 2.

391312SC.Hbk



## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on **Local Government** report that **House Bill 421** (first reading copy -- white) do pass.

Signed: \_\_\_\_\_

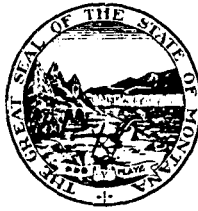
*Bill E. Boharski*

*Bill Boharski, Chair*

*JS.*  
Committee Vote:

Yes 18, No 0.

391305SC.Hbk



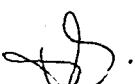
## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 425 (first reading copy -- white) do pass.

Signed: Wm E Boharski  
Bill Boharski, Chair

  
Committee Vote:  
Yes 12, No 1.

391304SC.Hbk



## HOUSE STANDING COMMITTEE REPORT

February 15, 1995

Page 1 of 2

Mr. Speaker: We, the committee on **Local Government** report that **House Bill 530** (first reading copy -- white) **do pass as amended.**

Signed: Bill Boharski  
Bill Boharski, Chair

### And, that such amendments read:

1. Page 1, line 26.  
Following: "county"  
Strike: ", "  
Insert: "or an incorporated"  
Following: "city"  
Strike: ", "  
Following: "town"  
Strike: "as defined in 2-7-501(7) "
2. Page 1, line 28.  
Strike: "auditing"  
Insert: "accounting"
3. Page 1, lines 29 and 30.  
Strike: "and" on line 29 through "accounting" on line 30
4. Page 2, line 1.  
Strike: "method"
5. Page 2, line 13.  
Strike: "federal"  
Insert: "governmental"  
Strike: "advisory"
6. Page 2, line 29.  
Following: "hearings"

Committee Vote:  
Yes 12, No 0.

391302SC.Hbk

February 15, 1995  
Page 2 of 2

Insert: ", pursuant to the provisions of 7-1-2121 or 7-1-4127,"

-END-

# HOUSE OF REPRESENTATIVES

## Local Government

ROLL CALL

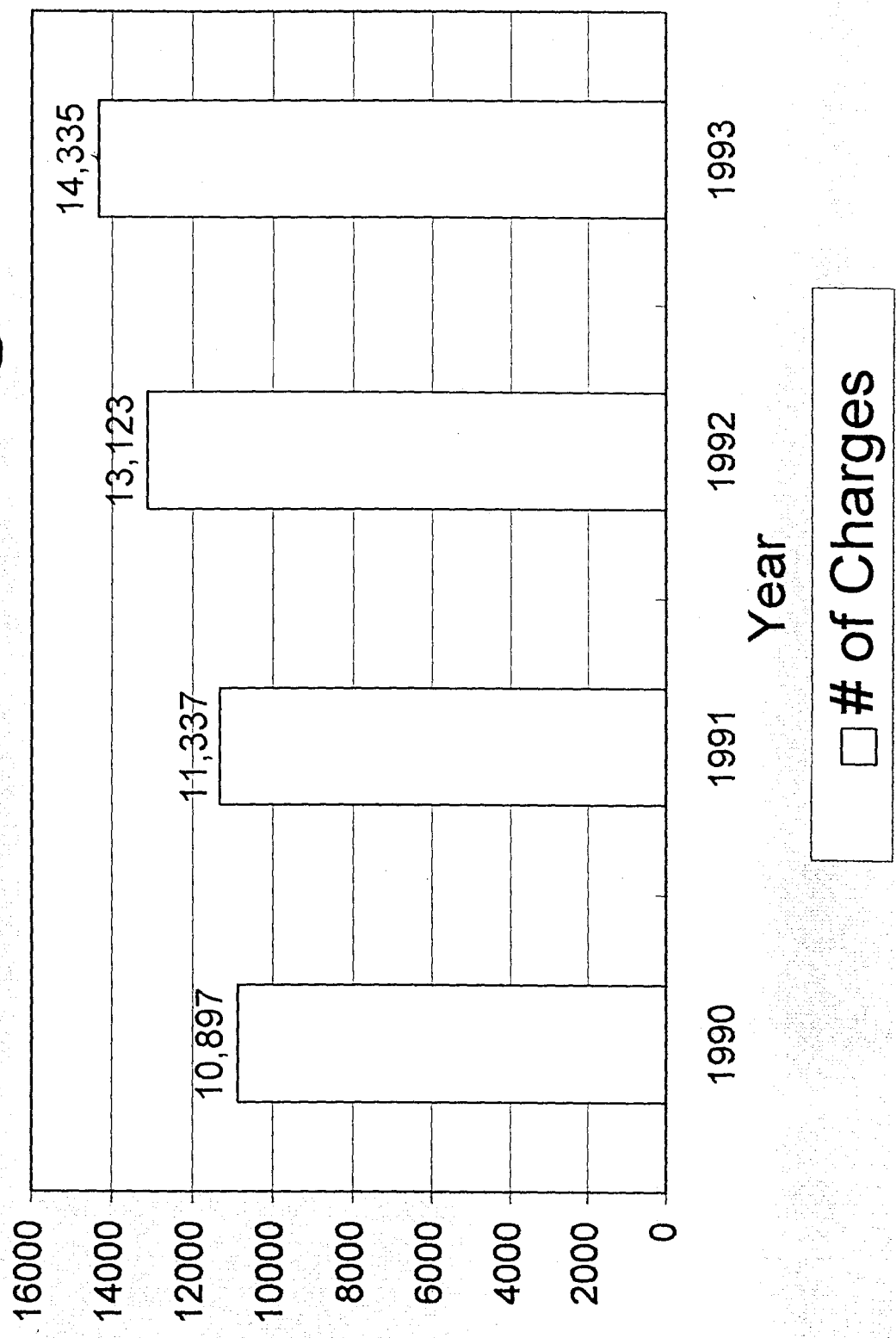
DATE 2-14-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bill Boharski, Chairman	✓		
Rep. Jack Herron, Vice Chairman, Majority	✓		
Rep. David Ewer, Vice Chairman, Minority	✓		
Rep. Chris Ahner	✓		
Rep. Shiell Anderson	✓		
Rep. Ellen Bergman	✓		
Rep. John Bohlinger	✓		
Rep. Matt Brainard	✓		
Rep. Matt Denny	✓		
Rep. Rose Forbes	✓		
Rep. Toni Hagener	✓		
Rep. Bob Keenan	✓		
Rep. Linda McCulloch	✓		
Rep. Jeanette McKee	✓		
Rep. Norm Mills	✓		
Rep. Debbie Shea	✓		
Rep. Joe Tropila	✓		
Rep. Diana Wyatt	✓		



DATE HB 2-14-95  
HB HB 417

# Traffic Charges



*For Mils*

EXHIBIT 2  
DATE 2-14-95  
HB 417

PRESENTATION FOR THE COMMITTEE

*Judy Stuart*

The bill before you is to address the continuing increased caseload for the City of Billings and the effect on other cities in Montana that have a City Court system. For instance, for fiscal year 1992/93, records show 21,381 cases compared to 20,025 in fiscal year 1991/92, or a 6.7% increase from the previous year. Of these cases, 3,000 were criminal cases which means that 81 cases on a daily basis were being filed. We also show there is a 20% increase in the criminal charges filed during the same fiscal years. If we were to look from 1989 to 1993, we show there has been a 68% increase in the criminal charges. Traffic charges have increased from 13,123 to 14,335 or a 10% increase; with a 4% increase in DUI charges.

It is important to point out that the criminal charges are the more serious misdemeanors such as assault, theft, domestic abuse, drugs, MIP, criminal trespass, prostitution, bad checks, and temporary restraining order violations. It is important to point out that the court system can no longer considered a traffic court, because the charges seen in our court are of a much more serious nature than in the previous years. New legislation such as the stalking laws, new City ordinances also have an impact on the courts and its ability to conduct business in a timely fashion. It is nearly impossible for one judge to continue to handle the increased caseload in a timely and effective manner. It is therefore imperative that the cities have the ability to elect or appoint an additional City Judge to handle the increasing caseloads and keep within the statutory time limitations. Currently under Montana law, Montana cities are allowed only one City Court Judge. Obviously, this restriction places an undue burden on any Court that is of considerable size.

Although a municipal court is an option for Montana cities over 40,000, it is within the discretion of the local governing body to elect the municipal court system and the governing body may decide that Billings is not ready for that particular type of court, since the municipal court system must be a court of record as specified under Section 3-6-101 MCA et seq.

Having the ability to elect or appoint an additional City Judge would give the local governing

body an option, so regardless of which system they choose, they would have the ability to either elect or appoint a second Judge to relieve the caseload.

C:\WPWIN60\ANATHAN\99999675

EXHIBIT 3  
DATE 2 - 14 - 95  
HB 421

## DORSEY & WHITNEY

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

MINNEAPOLIS  
ROCHESTER, MN  
BILLINGS  
GREAT FALLS  
DES MOINES  
DENVER

127 EAST FRONT STREET  
SUITE 310  
MISSOULA, MONTANA 59802  
(406) 721-6025  
FAX (406) 543-0863

NEW YORK  
WASHINGTON, D. C.  
ORANGE COUNTY, CA  
FARGO  
LONDON  
BRUSSELS

### MEMORANDUM

RE: HB 421 - Bill Revising and Clarifying Laws Relating to County Health Care Facilities

The purpose of this Memorandum is to explain briefly the proposed amendments contained in the above-described legislation. In general, the bill proposes expanding references to county "hospitals" to certain of the "health care facilities" defined in 50-5-101 and limiting part 23 of Title 7, chapter 34, which currently governs nursing homes and boarding homes, to boarding homes. The term "health care facility" will be defined in Section 7-34-2201, as amended. (Bracketed language would permit the cross-reference to cover any amendment of the definition in Section 50-5-501.) We initially thought of making the definition by reference Section 50-5-101, but concluded that it is perhaps too broad to get the consensus necessary to pass the legislation and too narrow in that it would not include offices of private physicians or dentists. It appears to us that in many communities the ability to finance private doctors offices may be critical to the operation and viability of a hospital. References below to conforming amendments changing references to "hospitals and nursing homes" to "health care facilities" would thus have the effect of expanding the scope of such sections to any health care facility.

The bill also repeals Section 7-34-2412, which authorizes financing or refinancing of hospital facilities only for those counties in which no hospital exists or in which the only existing hospital has been ordered closed or cannot be reasonably brought into compliance with applicable DHES standards. This provision, as recently interpreted by the Attorney General, precludes a county from issuing bonds to construct or remodel a nursing home or any other type of facility if a hospital already exists in one county, and further raises questions about the ability for a county to remodel an existing hospital. The other amendments are discussed by reference to the particular sections of the bill.

DORSEY & WHITNEY

Section 1. *Amendment of Section 7-6-2512.* This section is amended to change references to hospitals, nursing homes and "hospital facilities" to health care facilities, consistent with the amendments made in Title 7, Chapter 34, Part 22. It is further amended to authorize the pledge of the 10-mill levy to the payment of bonds issued under Section 7-34-2411, if the voters have so approved.

Section 2. *Amendment of Section 7-8-2102.* This section is amended to change a reference to hospitals to health care facilities.

Section 3. *Amendment of Section 7-8-2103.* This section is amended to change a reference to hospitals to health care facilities.

Section 4. *Amendment of Section 7-34-2201.* This section is amended, as is the rest of Part 22, to refer to health care facility instead of hospital. It also defines "health care facility" as described above, and authorizes counties not only to erect, furnish and maintain health care facilities, but also expressly authorizes counties to expand and improve such facilities.

The amendment also clarifies that a county may provide only those health care services that are otherwise permitted by law to be furnished at the health care facility.

Section 5. *Amendment of Section 7-34-2202.* This section is amended to change a reference to hospitals to health care facilities. The authority to create a commission for the management of nursing homes is not currently granted in Part 23.

Section 6. *Amendment of Section 7-34-2203.* This section is amended to make conforming changes from hospital to health care and to remove references to indigent. This section's counterpart in Part 23, relating to nursing homes (Section 7-34-2302), is being repealed by this legislation. This section could arguably be repealed as well. The only remaining statement after the amendments is contained in Section 7-34-2201, as amended.

Section 7. *Amendment of Section 7-34-2204.* This section is amended to make conforming and clarifying changes from hospital to health care facilities. Under current law, the authorized terms of leases of county hospitals (Section 7-34-2204(2)(a) and of county nursing homes (Section 7-34-2303(3)) are inconsistent. This

## DORSEY & WHITNEY

discrepancy causes difficulties for county hospital and nursing homes operating as a unified facility. The amendment would harmonize the limitation, using the current provision applicable to hospitals.

Sections 8 and 9. *Amendment of Sections 7-34-2301 and 7-34-2303.* As mentioned above, the bill would amend Part 23 to eliminate references to nursing homes, which under the bill would be governed under Part 22 as a health care facility, leaving the reference to county boarding homes. The amendments would expand the definition of county boarding home for the aged to include a boarding home for the infirm. At present, neither "aged" or "infirm" are defined in Part 23.

The amendments clarify that boarding homes may not constitute a health care facility (if they do, Part 22 is applicable), but boarding homes may be operated with any county health care facility. Section 7-34-2411 is amended (see discussion of Section 12 below) to permit the financing of county boarding homes on a revenue bond basis, without the support of a specific tax levy or the deficiency levy authorized by Section 7-34-2418.

Section 7-34-2303 is amended to conform the provisions for a lease of a county boarding home to those in Section 7-34-2204.

Sections 10 and 11. *Amendment of Sections 7-34-2401 and 7-34-2402.* These sections are amended to make conforming changes in references to hospital and nursing homes to health care facilities.

Section 12. *Amendment of Section 7-34-2411.* This section is amended to authorize a county to issue bonds to finance a health care facility and a boarding home, and to finance the acquisition, equipping, improving and expanding, as well as the construction, thereof. Conforming changes are made to implement the pledge authorized under Section 7-6-2615. (See discussion of Section 1 above.)

Section 13. *Amendment of Section 7-34-2414.* This section is amended to clarify that an election is required to authorize bonds issued under Section 7-34-2411 only if the 10-mill levy under Section 7-6-2615 or the deficiency levy under Section 7-34-2418 is pledged to the payment thereof. Thus, bonds may be secured by revenues of health care facilities and by the three mill levy authorized under Section 7-34-2417 without approval by the voters, as is currently permitted under 7-7-2501, but which would also be amended to provide this chapter the exclusive statute for county hospital financing.

DORSEY & WHITNEY

Section 14 and 15. *Amendment of Sections 7-34-2415 and 7-34-2416.* These sections are being amended to reflect that 7-34-2412 is being repealed.

Section 16. *Amendment of Section 7-34-2417.* This section is amended to clarify that the specific tax levies therein authorized may be levied if bonds have been issued and ordinary revenues are not expected to be sufficient to pay debt service thereon, rather than requiring that the bonds be delinquent or "cannot be paid" from such ordinary revenues. The amendments clarify that the bonds must be issued for a health care facility, instead of a county boarding home, so current law in this respect is preserved.

Section 17. *Amendment of Section 7-34-2418.* This section is amended to clarify that the deficiency levy therein authorized may be pledged only to bonds issued in respect of a health care facility, not a county boarding home, and only if approved by the voters. It thus preserves existing law. Subsection (3) is amended to clarify the circumstances to which the subsection is applicable.

Section 18 and 19. *Amendment of Section 7-34-2501 and Section 53-2-802.* These sections are amended to change a reference to hospital or nursing home to health care facility or boarding home.

Section 20. *Repeal of Section 7-34-2412.* This change is discussed in the second paragraph of this Memorandum.

Section 21. This section provides an immediate effective date.

The bill does not authorize a mortgage on county health care facilities or a county boarding home and does not make changes in the hospital district law. It also does not, apart from authorization of county boarding homes, authorize assisted living facilities, which we understand are proposed to be regulated by the Department of Health and Environmental Sciences under other legislation to be introduced next year.



EXHIBIT 4 Feb. 14, 1995  
DATE 2-14-95  
HB 438

Jay Sage  
2135 West Sussex  
Missoula, Montana 59801  
Phone (406) 721-9494

House Local Government Committee

Mr. Chairman and Members of the Committee:

House Bill 438 would allow all registered voters to determine whether or not they wanted to be annexed by a first class city, it is my understanding that 2nd class cities already use this process. I believe that this is a more democratic process. Existing law only allows 20 days for citizens to gather signatures this was done in Missoula between 55% and 81% of the Resident Freeholder signed the petition to stay out of the city. The cities point to this and say that the existing process works just fine so you should leave it the Law the way it is. The problem with exiting Law is that Elderly people on fixed income or often the ones who have the most to loose so they are the ones who carry the petition around to gather signatures, they give up their Thanks Giving Holiday and their Christmas Holiday because they are afraid that if they do not collect enough signatures they will loose their homes. In the Reserve Street Area that my mother Wilma Sage lives in will be annexed next year under the Wholly Surrounded Land method. This is Government that is forced on people against the will of the majority and it is wrong. To force people against their will to accept annexation creates hostility towards the City and is no way to build a community. I urge you to vote in favor of House Bill 438. Thank You. *This will put a smile on my face I hope this cartoon will put one on yours.*

Sincerely,

*Jay Sage*  
Jay Sage

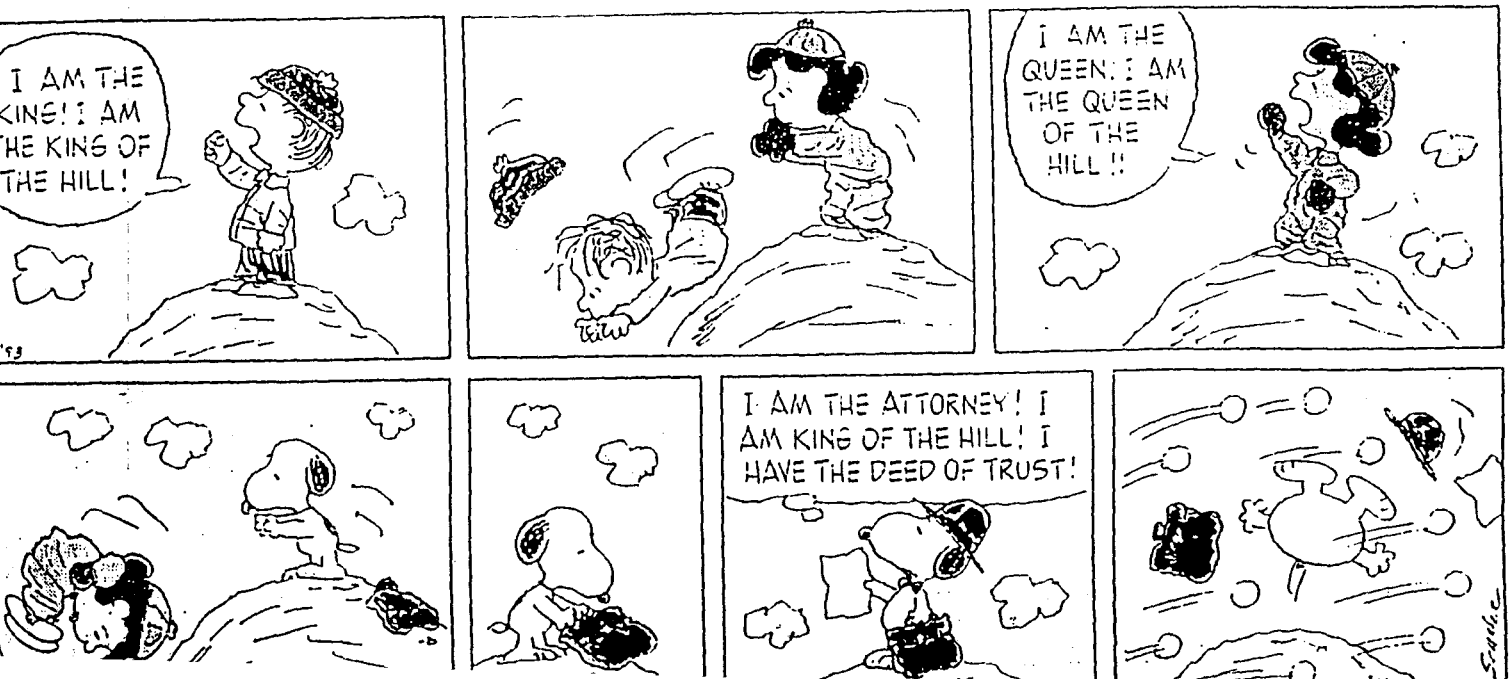




EXHIBIT 5  
DATE 2-14-75  
HB 438

MR. CHAIRMAN AND COMMITTEE MEMBERS.

PLEASE SUPPORT HOUSE BILL 438.

THE DEMOCRATIC METHOD OF VOTING ON AN ISSUE HAS BEEN USED FOR A LONG TIME AND ALLOWS ALL OF THE PEOPLE AN EQUAL SAY IN WHAT IS BEING DONE IN GOVERNMENT. THIS WOULD KEEP DOWN THE RESENTMENT THAT THE PEOPLE FEEL TOWARD THE GOVERNMENT IF THEY ARE PERMITTED TO VOTE ON THIS ISSUE INSTEAD OF ARBITRARILY BEING ANNEXED WITH NO RECOURSE. THE PETITION METHOD USED IN 1994 CAUSED ABOUT A WEEK OF EXTRA WORK FOR THE CITY OF MISSOULA, TRYING TO VERIFY VOTERS. THIS EXTRA EXPENSE COULD BE ELIMINATED IF THE ISSUE WAS VOTED ON IN THE NEXT GENERAL ELECTION.

MANY OF THE ELDERLY PEOPLE ARE NOT ABLE TO COME TO HELENA TO LOBBY, NOR TO HIRE PROFESSIONAL LOBBYISTS AS THE CITIES DO, BECAUSE OF THE EXPENSE, BUT SHOULD BE HEARD AS WELL AS CITY EMPLOYEES. THE ISSUE OF ANNEXATION AFFECTS THEIR WHOLE LIFE, SINCE, IF THEY ARE FORCED TO GIVE UP THEIR HOMES DUE TO IMPOSSIBLE SEWER COSTS AND THE OTHER S.I.D.S---SIDEWALK AND CURBING, WATERMAINS, STREET LIGHTING AND PAVING OF ALLEYS AND DRIVEWAYS, PLUS THE HIGHER CITY TAXES THAT THE CITY REQUIRES---AND MOVE INTO LOW INCOME HOUSING, THEY MUST GIVE UP MOST OF THEIR PRIZED POSSESSIONS AND CERTAINLY ALL PETS NO MATTER HOW LONG THEY MAY HAVE HAD THEM. THEY CANNOT HAVE PLANTERS ON PORCHES, NOR DIG A SPOT IN THE LAWN FOR A SMALL FLOWER GARDEN OR FOR VEGETABLES TO SUPPLEMENT THEIR INCOME. THEY CANNOT HAVE OVERNIGHT GUESTS EVEN IF IT IS SOME OF THEIR FAMILY. THIS DOESN'T LEAVE MUCH OF A LIFE, AND MANY BECOME DEPRESSED ONCE THEIR INDEPENDENCE AND WAY OF LIFE HAS BEEN TAKEN FROM THEM; THESE ARE MOST OFTEN THE PEOPLE THAT REQUIRE HELP FROM STATE NURSING AND HOUSEKEEPING SERVICES.

ON SUCH A DRASTIC AND TRAUMATIC CHANGE IN THEIR LIVES THEY SHOULD AT LEAST BE PERMITTED ONE VOTE. THINK OF THE ELDERLY AND SAY YES TO H.B. 438.

*Sue A. Sage* 2/15  
SVEA SAGE

EXHIBIT 6  
DATE 2-14-81  
-8 438

Mr. Chairman and members  
of the Committee:  
I most completely and  
sincerely endorse HB 438.

Thank you very much

Charles R. Hackman  
2125 W. Kent Ave  
Missoula, Mt. 59801



# Daniels & Associates, Inc.

Engineering Consultants

RE: H.B. #438

DEAR CHAIRMAN AND MEMBERS OF COMMITTEE:

I AM WRITING TO ENCOURAGE YOUR SUPPORT OF H.B. #438. I UNDERSTAND THAT THIS BILL PROVIDES THAT A VOTE WILL BE HELD ON PROPOSED ANNEXATIONS TO A CITY RATHER THAN HAVING A REQUIREMENT THAT THE ANNEXATION BE DEFEATED BY PROTEST.

THE PROTEST PROCESS PLACES AN UNFAIR BURDEN ON THOSE IN AN AREA TO BE ANNEXED IN THAT THE PROTESTERS MUST ORGANIZE, EDUCATE, AND PHYSICALLY CARRY PETITIONS WITHIN A RELATIVELY LIMITED AMOUNT OF TIME IN ORDER TO DEFEAT AN ANNEXATION. THIS IS A PROBLEM IN MANY AREAS OF THE STATE.

A VOTE ON THE ANNEXATION WOULD BE FAIR TO BOTH SIDES OF THE ISSUE. PLEASE SUPPORT HB #438.

*Douglas E. Daniels*

Post-it Fax Note	7671	Date	2/14/95	# of pages	1
To	JAY SAGE	From	Douglas DANIELS		
Co./Dept.		Co.			
Phone #	721-9494	Phone #	388-1001		
Fax #	728-7159	Fax #	388-1001		

HB 438

EXHIBIT 8  
DATE 2-14-95  
HB 438

As you are well aware, we have an annexation dispute in Missoula, but this bill does not merely address a "Missoula problem." The problem addressed here is that current law encourages cities to annex areas without regard to citizens' will. Please consider the Reserve Street corridor in the Missoula area. The ~~the~~ city claims to have surrounded this area by annexing Reserve St. Therefore citizens have no right to refuse annexation. The irony in this is that 100% of the maintenance on Reserve St is paid by State Highway Dept. funds. IT is a State Highway.

I would ask you to consider the plight my 92 year old neighbor & I faced under the city's last annexation attempt. The city's proposed SID could have been \$35,000 for each of us. In addition to this our taxes could have increased over 40% per year. Given this scenario, I truly feel we deserve the right to vote on this issue.

It is only reasonable that the democratic principles we all live by should extend throughout the annexation process. Your support toward that end will be greatly appreciated.

Jack Grover  
1310 Schilling  
Missoula MT

Fifty-Fourth Legislature of Montana  
House Committee - Local Government  
Room 104, Capitol Hill, Helena MT

Mr. Chairman & members of the Committee  
Re: HB 438 introduced by Matt Brainard

My name is Wilma Sage. I reside at 2135  
W. Sussex, Missoula, MT. 59801. I am in support  
of HB 438 which would require a vote of  
the people to decide the issue of annex-  
ation rather than the methods employed  
at present. My reasons are as follows:

1. To contact all the people eligible to sign  
a petition is very time consuming, i.e.  
more than the 20 days now allowed.
2. Many people who have time to carry  
petitions are retired and are elderly,  
in their 70's & older. This puts them out  
walking door to door in all sorts of weather

4. This method also puts a heavy burden on city personnel, since all names have to be verified as to eligibility from the tax list which has not been updated in the last year as to deaths, marriages, divorces etc.

5. It would seem to be a much more fair & democratic process to have these issues decided ~~on~~ in the general election and allow the majority to rule rather than have something of such great importance decided for us by our city government with little or no input from the people most affected

Thank you for listening

Patricia Sage

PR 406;549-6397

EXHIBIT 10  
DATE 2-14-95  
HB 438

2-12-95

Dear Sis:

I am in support of House Bill 438  
and I am asking your support also.  
I reside at 2625 Mount Avenue in  
Missoula, Montana

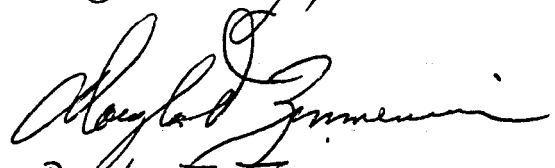
Sincerely,  
  
Douglas F. Zimmerman

EXHIBIT 11 //  
DATE 2/14/95  
HB 438

Dear Sirs:

I request that you, as our  
legislative leaders support House  
Bill 438. We should have the  
right to vote on the annexation  
of our Community.

Bicky Schwartz



EXHIBIT 17  
DATE 2/14/95  
HB 438

I, JOSEPH JOHN SCHWARTZ III, DO WHOLELY AND  
VIGOROUSLY SUPPORT H.B. 438, PERTAINING TO  
ANNEXATION.

*Joseph John Schwartz III*

EXHIBIT 13 13  
DATE 2/14/95  
HB 438

I support H.B. 438 which pertains to  
Annexations without a vote.

Douglas R. Huber

EXHIBIT 14  
DATE 2/14/95  
HB 438

I support H.B. 438 which pertains to  
Annexation.

John R. Stewart

EXHIBIT 15  
DATE 2/14/95  
HB 438

Dear Sen

Please support House Bill 438.

Please let us vote on Annexation  
of our Community.

Thank you

Theresa J. [Signature]

EXHIBIT 16  
DATE 2/14/95  
HB 438

To the 54<sup>th</sup> Legislature,

I request your support of House Bill 438. We should have the right to vote on annexation, at present we have no representation in the voting on annexations.

*John Fidler*

John Fidler

2300 Mary #2

Missoula, MT 59801

EXHIBIT 17  
DATE 2-14  
HB 438

2-13-95

Msl., Dist -

59801

The Chairman &  
Members of The Committee

I am writing to implore you to  
Vote for Brinards bill - please  
pass this bill.

In regard to annexation I  
strongly feel that we should be  
allowed to vote for or against  
annexation - It is our constitutional  
right, why are you even considering  
to vote for forced annexation?

Do your utmost to uphold the  
rights of the people that voted for you.

Sincerely  
Delbert M. Campbell  
2536 So. Pacific

Msl., Dist - 59801

R.F.: House Bill 438

EXHIBIT 18  
DATE 2-14-95  
HB 438

February 13, 1995

House Chairman and Members of the Committee

RE: House Bill 438

Dear Mr Chairman and Committee Members,

I wish to express my appeal to ask for your support on House bill 438. I feel this is a very important issue, I believe being annexed into a city municipality should be beneficial to both the city and also the area being annexed.

I feel this bill covers all of the necessary avenues it would take to make this a democratic issue. I carried a petition and allot of the people I talked to were renters, not resident freeholders. This bill enables them to have a say in an issue that will affect them down the road.

Again, please support House bill 438, it is for the good of the people.

Sincerely,

Tsoni J. Hansen  
2216 S. 14th Street  
Missoula, Montana  
59801



EXHIBIT 19  
DATE 2-14-95  
HB 438

## City of Helena

February 14, 1995

Representative Bill Boharski  
House Local Government Committee

Dear Committee Members:

The City of Helena has responded to numerous individual requests for annexation. Some times these requests are when a home owner's septic system fails and they need to connect to the city's sanitary sewer system. As a result, requiring an election to be held for each of these requests makes it more difficult for a city to quickly and responsibly address an individual property owners' needs.

Properties that are still technically located in the county but are wholly surrounded by property located inside the city cause their own spectrum of problems. Verifying whether or not a property is inside or outside the city can be confusing when determining which jurisdiction should respond to a fire or accident. This delay for verification increases response time for fire, police, sheriff, ambulance, etc.) when a quick response is needed in an emergency.

Montana law (7-2-4501, MCA) presently provides the appropriate mechanism to bring wholly surrounded properties into the city. Requiring an election each time is an unnecessary expense to the city's taxpayers. For reference, each time an individual annexation would be placed on the ballot would cost the City of Helena a minimum of approximately \$12,000.

Public hearings are held with annexation requests, thereby giving anyone an opportunity to speak on each request. Montana law also states the annexation cannot occur if enough written protest is received. Therefore, there are already enough "safeguards" in the existing laws that make it difficult enough for cities to annex land without making it even more difficult and costly by requiring an election each time.

For these reasons, the City of Helena asks you to not pass HB 438.

Sincerely,

Kathy Macefield  
Planning Director



EXHIBIT 20  
DATE 2/14/98  
HB 289

PROPOSED AMENDMENT TO HB 289 (Introduced)

1. Title, line 6  
Following: "MUNICIPAL UTILITIES" on line 6  
Insert: "AND REMOVING THE REQUIREMENT FOR AN ANNUAL REPORT TO  
THE PUBLIC SERVICE COMMISSION;"
2. Title, line 7  
Following: "REPEALING SECTION 69-7-102" on line 7  
Insert: "AND 69-7-121,"
3. Section 2. Repealer, line 22  
Following: "Section 69-7-102" on line 22  
Strike: "MCA, is repealed."  
Insert: "and 69-7-121, MCA, are repealed."

Amendments to House Bill No. 303  
First Reading Copy

Requested by Representative Denny  
For the Committee on Local Government

Prepared by Bart Campbell  
February 13, 1995

1. Title, lines 5 through 7.  
Following: ";" on line 5  
Strike: remainder of line 5 through ";" on line 7

2. Title, lines 8 through 11.  
Following: ";" on line 8  
Strike: remainder of line 8 through ";" on line 11

3. Page 1, line 16.  
Strike: "5"  
Insert: "4"

4. Page 1, line 21.  
Insert: "

**NEW SECTION.** **Section 2. Political practices in local government.** (1)(a) An officer of a local government may not:  
(i) directly or indirectly solicit an assessment or contribution for any political party, committee, or purpose from an employee of the same local government entity;  
(ii) circulate or seek signatures for a petition for a political organization or committee among or from employees of the same local government entity;  
(iii) cause, direct, or allow an employee of the local government to use compensated work time to participate in personal or partisan political service or activity; or  
(iv) cause, direct, or allow public resources to be used for personal or partisan political service or activity of any kind.  
(b) Subsection (1)(a) does not prohibit a person from making a voluntary contribution.  
(2) An officer of a local government may not:  
(a) discharge, suspend, lay off, or change the classification, duties, or compensation of another person employed by the local government or threaten to do so based on the other person's withholding or neglecting to make a contribution of money, service, or an object of value for political service or activity; or  
(b) use or promise to use influence or official authority to secure an appointment or prospective appointment of another person to a position in the local government as a reward or return for personal or partisan political service or activity.  
(3) A person who, alone or in cooperation with others, purposely or knowingly violates the provisions of this section shall upon conviction be punished by a fine of not less than \$100 or more than \$1000, by imprisonment for a term not exceeding 3 months, or both. If the person is an officer or employee of a

local government, the person shall also forfeit the person's office or employment.

(4) The county attorney shall enforce the provisions of this section.

(5) Each local government shall post a sign in each workplace under its jurisdiction at the locations where notices to employees are normally posted containing a copy of the provisions of this section.

(6) This section may not be construed to prohibit a person from taking part in any phase of the political process or exercising any political rights or activities not prohibited by this section."

Renumber: subsequent sections

5. Page 2, lines 17 through 27.

Strike: sections 3 and 4 in their entirety

Renumber: subsequent sections

6. Page 3, lines 8 and 10.

Strike: "5"

Insert: "4"

EXHIBIT 22  
DATE 2-14-95  
HB 397

Amendments to House Bill No. 397  
First Reading Copy

*Health Dept.*

For the Committee on Local Government

Prepared by Bart Campbell  
February 14, 1995

1. Title, line 6.

Following: "LINE"

Insert: "; AND REQUIRING A REPLACEMENT SEPTIC SYSTEM TO COMPLY  
WITH STANDARDS ESTABLISHED BY THE BOARD OF HEALTH AND  
ENVIRONMENTAL SCIENCES AND THE DEPARTMENT OF HEALTH AND  
ENVIRONMENTAL SCIENCES"

2. Page 1, line 13.

Following: "line."

Insert: "A landowner's replacement septic system must comply with  
the standards established by the board of health and  
environmental sciences pursuant to 75-5-305 and by the  
department of health and environmental sciences pursuant to  
Title 76, chapter 4."

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Sen. Gougeon absent

COMMITTEE

BILL NO. HB-417

DATE 2/14/95 SPONSOR(S) \_\_\_\_\_

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Jim Nugent	City of Missoula	HB-417		X

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. 421DATE 8-14-95 SPONSOR(S) \_\_\_\_\_

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Maerou	Dorsey & Whitney	421	<del>✓</del>	✓
Gene Huntington	Duin Bessworth	421		✓
Bob Olsen	Montana Hospital Assoc	421		✓
Gordon Morris	MA Co	421		✓
Bill Rappold	Pondera Co. Medical Center	421		✓
<del>Alta</del>	<del>MACT</del>	<del>530</del>		✓

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.

438

DATE 2-14-95

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Larry Gallagher	City of Kalispell	438	X	
DOUGLAS RAUTHE	MAYOR " "	438	X	
Chris Imhoff	League of Women Voters 80 mt	438	X	
W. James Kembel	City of Billings	438	X	
W. James Kembel	City of Billings	417		X
Judge Gayle Stewart	City of Bldg.	417		X
Dennis Paxinos	Williston Co	417		X
Jay Lage	Missoula Reserve St	438		X
John Brauer	Missoula (Kenne St) (Homerway)	438		X
Jack Grover 1310 Schilling Missoula	Self	438		X
Paul Laisy	Missoula Self	438		X
J. Happer	Missoula Better Govt	438		X
Dave Ashley	Dept of Administration	530		X

Tim Nugent Missoula 438 X  
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.

438

DATE 2-14-75

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
JAMES A LOFFTUS	MT FIRE DIST ASSN	HB 438		<input checked="" type="checkbox"/>
Kathy Macfield	City of Helena	438	X	
Ralph E. Pablos		438	<del>X</del>	<input checked="" type="checkbox"/>
Ralph L STARR	Local 2457	438		
Jim Nugent	City of Missoula	438	X	
Tim Magee	City of Great Falls	438	X	
David S Gasroda	3605 SPARGAN RD MS 10	438		X
Alma Hansen	MLCT	438	X	

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.

530

DATE

2/14/95

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Tim Magee	City of Great Falls	530		X
Newell Anderson	Dept of Commerce	530		X
Jim Nugent	City of Missoula			X
Gordon Morris	MACO			X
Laurie Ekanger	Governors Office			X
Larry Jeschke	City of St. Paul			X
Don Hanson	MLCT			X

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