

MINUTES

MONTANA SENATE  
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

**Call to Order:** By CHAIRMAN TOM BECK, on February 28, 1995, at 3:00 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:** Sen. Delwyn Gage

**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: HB 61, HB 115, HB 105  
Executive Action: HB 115, HB 61, HB 105

HEARING ON HB 61

Opening Statement by Sponsor:

**SEN. TOM NELSON, HD 11, Billings,** presented HB 61 to the committee.

Proponents' Testimony:

**Loren Grosfield, Attorney, Montana Association of Counties Self Insured Pools,** stated that HB 61 deals with a requirement of government insurance pools to seek court approval of settlements and HB 61 would remove the requirement. He noted that the difficulty is that self insured pools operate like any other insurance company. The requirement of court approval is unclear as to when they need court approval and whether court approval is

## SENATE LOCAL GOVERNMENT COMMITTEE

February 28, 1995

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needed for all cases or just ones pending in District Court. **Mr. Grosfield** said that it is difficult for both the authority and the entity settling the case to have to go to District Court as well as causing a delay in payment. He continued that the District Court is in no position to make a judgement as to whether the settlement is appropriate as extensive evidence would be needed. He stated that District Courts do not like to deal with these cases as it is a burden on them and all parties. **Mr. Grosfield** emphasized that they want to be treated like any other insurance carrier and not go through this requirement of the District Court. He urged passage of HB 61.

Opponents' Testimony: none

Questions From Committee Members and Responses: none

Closing by Sponsor:

**SEN. NELSON** noted that he felt District Courts are not in a position to judge whether or not a settlement is appropriate. He urged passage of the bill.

HEARING ON HB 115

Opening Statement by Sponsor:

**REP. BEVERLY BARNHART, HD 29, Bozeman**, presented HB 115 which gives city finance officers ten working days to certify delinquent taxes. She said that originally they wanted twelve working days but the House committee only wanted ten which was fine with her city finance officer.

Proponents' Testimony:

**Gordon Morris**, stated that he did not oppose HB 115 in the House committee and urged support of the committee.

Opponents' Testimony: none

Questions From Committee Members and Responses:

**SEN. J.D. LYNCH** asked what the present law reads? **REP. BARNHART** stated that it allows for ten days in which the Saturday and Sunday caused some problems.

Closing by Sponsor:

**REP. BARNHART** closed and asked **SEN. DOROTHY ECK** to carry the bill on the Senate floor.

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EXECUTIVE ACTION ON HB 115

Motion/Vote: SEN. ECK MOVED HB 115 BE CONCURRED IN. THE MOTION CARRIED.

EXECUTIVE ACTION ON HB 61

Motion/Vote: SEN. LYNCH MOVED HB 61 BE CONCURRED IN. THE MOTION CARRIED.

HEARING ON HB 105Opening Statement by Sponsor:

In absence of REP. JOHN BOHLINGER, HD 14, Billings, SEN. J.D. LYNCH opened and referred to the Montana Association of Counties to explain the bill.

Proponents' Testimony:

Gordon Morris, Director, Montana Association of Counties, stated that HB 105 is a provision to repeal 7-6-2345 (**EXHIBIT 1**). He said there is a provision two citations earlier that provides for expenditures in emergency cases. Mr. Morris pointed out that this law was implemented in 1935 and has not been amended since. In 1935, he said it may have been appropriate to have a limit of \$25,000 on emergency expenditures but in 1994 a Deputy's vehicle may cost well over that amount. He continued that to not be able to spend money that is on hand without going to a vote of the people is inconvenient and has been continually ignored. The earlier provision allows for expenditures as long as the adopted budget has funds available in the reserve and a agreement by all three county commissioners. He asked the committee support of repealing this confusing section.

Opponents' Testimony: noneQuestions From Committee Members and Responses: noneClosing by Sponsor:

SEN. LYNCH closed for REP. BOHLINGER.

EXECUTIVE ACTION ON HB 105

Motion/Vote: SEN. LYNCH MOVED HB 105 BE CONCURRED IN. THE MOTION CARRIED.

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ADJOURNMENT

Adjournment: 3:16 p.m.

Sen Tom Beck  
SEN. TOM BECK, Chairman

Elaine Johnston  
ELAINE JOHNSTON, Secretary

TB/ej

MONTANA SENATE  
1995 LEGISLATURE  
LOCAL GOVERNMENT COMMITTEE

**ROLL CALL**

DATE

February 28, 1995

SEN:1995

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SENATE STANDING COMMITTEE REPORT

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March 1, 1995

MR. PRESIDENT:

We, your committee on Local Government having had under consideration HB 61 (third reading copy -- blue), respectfully report that HB 61 be concurred in.

Signed: Sen Tom Beck  
Senator Tom Beck, Chair

PL

Amd. Coord.  
SL Sec. of Senate

Sen. Lynch  
Senator Carrying Bill

481117SC.SPV

SENATE STANDING COMMITTEE REPORT

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March 1, 1995

MR. PRESIDENT:

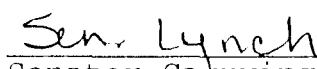
We, your committee on Local Government having had under consideration HB 105 (third reading copy -- blue), respectfully report that HB 105 be concurred in.

Signed:

  
Senator Tom Beck, Chair



Amd. Coord.  
Sec. of Senate

  
Sen. Lynch  
Senator Carrying Bill

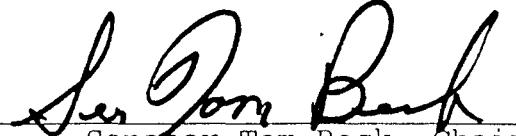
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
March 1, 1995

MR. PRESIDENT:

We, your committee on Local Government having had under consideration HB 115 (third reading copy -- blue), respectfully report that HB 115 be concurred in.

Signed: 

Senator Tom Beck, Chair



Amd. Coord.  
Sec. of Senate

Sen. Eck  
Senator Carrying Bill

481113SC.SPV

of the county feeling aggrieved by the order issued pursuant to 7-6-2342(4) may appeal therefrom to the district court for such county by filing with the clerk of the court a verified petition, a copy of which has therefore been served upon the county clerk and recorder of the county as the clerk of the board of county commissioners. The petition shall set forth in detail the objections of the petitioner to the order, giving reasons why the emergency does not exist.

(2) Until final determination of the matter by the court, the service and filing of the petition operates to suspend the emergency order and the authority to make any expenditure or incur any liability thereunder.

(3) Upon the filing of the petition, the court shall immediately fix a time for hearing the petition, which time shall be at the earliest convenient time. At the hearing the court shall hear the matter de novo and may take such testimony as it considers necessary. The court's proceedings shall be summary and informal, and its determination as to whether an emergency such as is contemplated within the meaning and provisions of this part exists or not and whether the expenditure authorized by the order is excessive or not is final.

History: En. Sec. 6, Ch. 148, L. 1929; re-en. Sec. 4613.6, R.C.M. 1935; amd. Sec. 2, Ch. 170, L. 1943; amd. Sec. 1, Ch. 159, L. 1953; amd. Sec. 1, Ch. 148, L. 1955; amd. Sec. 1, Ch. 194, L. 1963; R.C.M. 1947, 16-1907(part); and. Sec. 11, Ch. 252, L. 1979.

Cross-References

Verification of pleadings, 25-4-213; Title 25, ch. 20.

**7-6-2344. Limitation on amount of emergency expenditures and liabilities — election.** (1) Unless the excess above the sums listed in subsections (1)(a), (1)(b), and (1)(c) is first authorized by a majority of the electors of the county, voting at a general or special election, the aggregate total of all expenditures made or liabilities incurred in any fiscal year to meet emergencies, other than those caused by fire, flood, explosion, earthquake, epidemic, riot, or insurrection, may not exceed:

- (a) \$25,000 in counties of class 1, 2, 3, or 4;
- (b) \$15,000 in counties of class 5 or 6; and
- (c) \$7,500 in counties of class 7.

(2) The question of authorizing the excess expenditures shall be submitted in the following form, inserting in the ballot the amount of the excess proposed to be authorized and a description of the emergency to be met:  
Shall the board of county commissioners of ... County, Montana, be authorized to make additional expenditures and incur additional liabilities in the amount of \$... over and above the sum of \$... to meet an emergency caused by ...?

**SENATE LOCAL GOVT. COMM.**

EXHIBIT NO. 1  
DATE 2-28-95  
BILL NO. H.B. 105

(3) The total of all emergency budgets and appropriations made therein in any one year to be paid from the county poor fund may not exceed the amount which would be produced by a mill levy equal to the difference between the mills levied in that year and the maximum mill levy authorized

by law to be made for such fund, computed against the taxable value of the property subject to such levy as shown by the last completed assessment roll of the county.

History: En. Sec. 6, Ch. 148, L. 1929; re-en. Sec. 4613.6, R.C.M. 1935; amd. Sec. 2, Ch. 170, L. 1943; amd. Sec. 1, Ch. 159, L. 1953; amd. Sec. 1, Ch. 148, L. 1955; amd. Sec. 1, Ch. 194, L. 1963; R.C.M. 1947, 16-1907(part); and. Sec. 12, Ch. 252, L. 1979; amd. Sec. 387, Ch. 571, L. 1979.

**Cross-References**

Classification of counties, 7-1-2111.

**7-6-2345. Use of emergency warrants.** (1) All emergency expenditures shall be made by the issuance of emergency warrants drawn against the fund or funds properly chargeable with such expenditures. The county treasurer is authorized and directed to pay such emergency warrants with any money in such fund or funds available for such purpose. If at any time there shall not be sufficient money available in such fund or funds to pay such warrants, then such warrants shall be registered, bear interest, and be called in for payment in the manner provided by law for other county warrants.

(2) The county clerk and recorder shall include in his annual tabulation to be submitted to the board of county commissioners the total amount of emergency warrants issued during the preceding fiscal year. Subject to the provisions of subsection (3), the county commissioners shall, in their tax levies, include a levy for each fund sufficient to raise an amount equal to the total amount of such warrants, if there be any, remaining unpaid at the close of such preceding fiscal year because of insufficient money in such fund to pay the same.

(3) (a) No levy shall be made for any fund in excess of the levy authorized by law to be made therefor.

(b) The board may submit the question of funding such emergency warrants at any election as provided by law, and if at any such election the issuing of such funding bonds be authorized, it shall not then be necessary for any levy to be made for the purpose of paying such emergency warrants.

History: En. Sec. 6, Ch. 148, L. 1929; re-en. Sec. 4613.6, R.C.M. 1935; amd. Sec. 2, Ch. 170, L. 1943; amd. Sec. 1, Ch. 159, L. 1953; amd. Sec. 1, Ch. 148, L. 1955; amd. Sec. 1, Ch. 194, L. 1963; R.C.M. 1947, 16-1907(6), (7).

**7-6-2346 and 7-6-2347 reserved.**

**7-6-2348. Budgets of appointed boards and commissions — exemption for bonds.** (1) With respect to tax and fee money, the proposed budget of and the number of mills to be assessed by any board, commission, or other governing entity, except a board of trustees of a public library and an airport authority, appointed by a local government are subject to approval by that local government.

(2) If a board, commission, or other governing entity, other than a port authority created under Title 7, chapter 14, part 11, issues bonds and pledges to the payment of the bonds, taxes, revenue, or fees in accordance with the statutes authorizing the issuance of the bonds, the taxes, revenue, or fees and the levy or appropriation of the taxes, revenue, or fees are not subject to approval by the local government appointing the board, commission, or governing entity.

History: En. Sec. 1, Ch. 347, L. 1991; amd. Sec. 1, Ch. 169, L. 1993.

DATE 2-28-95

SENATE COMMITTEE ON Local Government

BILLS BEING HEARD TODAY: HB 61 HB 105 HB 115

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**Check One**

## VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY