

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN WILLIAM BOHARSKI**, on January 12, 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. 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: Rep. Rose Forbes

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 115**
Executive Action: None

CHAIRMAN BOHARSKI announced that at the request of **REP. DAVID EWER**, sponsor of HB 113, if there were no objections from the members of the committee or witnesses in the audience, this hearing will be rescheduled for January 19, 1995.

HEARING ON HB 115Opening Statement by Sponsor:

REP. BEVERLY BARNHART, HD 29, Bozeman, referred to the bill for an act entitled: An act increasing from 10 days to 12 working days the time for city treasurers or town clerks to certify delinquent taxes or assessments to the county treasurer; and amending section 7-6-4423, MCA. REP. BARNHART ended by saying this was brought to her by the finance director from Bozeman and he is in attendance today to answer questions. She then reserved the right to close.

Proponents' Testimony:

Merrill Gamrod, Finance Director, City of Bozeman explained the bill by saying "Many cities and towns throughout Montana collect their own special improvement district assessments. These assessments are collected the same as property taxes as they are collected in November and May of each year. If the property owner happens to fail to pay their assessment, state law requires that the city commission of each city or town certify those assessments delinquent to the county. This certification to the county essentially creates a lien on the property. This certification has to happen within ten days after the assessment is due. The assessment due date for November is the 30th and state law currently requires cities to certify to the county any delinquent assessments by the 10th of December. The problem is the ten-day limitation is sometimes almost impossible to meet".

Mr. Gamrod continued and gave the following example. "Last year, 1994, about 50% of the property owners made payments on the very last day, November 30th or May 31st and many people have their payments made through escrow companies. As a result, the escrow companies will mail out those assessments on the very last possible day to maximize the amount of interest they are going to earn. What happens then is the cities receive those payments up to two, three or four days into December, prior to receiving that in the mail, depending upon where the escrow happens to be. The city commission meets every Monday and in order to comply with this law the city would of had to certify these assessments on December 5th. In actuality, they would still be receiving legitimate payments after that date and as a result, would then be creating a delinquent list of taxpayers for people that have already paid their assessments. As a result, this time line is impossible to meet".

"The proposed time limit from ten days has been interpreted from the attorneys to mean 10 calendar days to 12 working days. They feel this additional time will provide sufficient leeway for all the local governments in order to meet this particular law. They have also talked to the Montana Association of Counties. They

are the recipient of this information and the indication is they do not have a problem with the extension of time line". With that **Mr. Gamrod** urged the support of this bill and said he would answer questions.

Alec Hanson, League of Cities and Towns voiced his support of this bill and said this bill is typical of the things they are continually trying to correct in state laws with imposed restrictions of requirements that are virtually impossible to comply with. He concurred this is something that needs to be done.

Opponents' Testimony: None

Informational Testimony: None

Questions From Committee Members and Responses: None

Closing by Sponsor:

REP. BARNHART closed by thanking the committee for the hearing and said she would carry the bill in the Senate.

CHAIRMAN BOHARSKI announced executive action on bills would be next week.

ADJOURNMENT

Adjournment: 3:30 p.m.

Wm E Boharski

WILLIAM BOHARSKI, Chairman

Evvy Burris

EVY BURRIS, Secretary

WB/eb

HOUSE OF REPRESENTATIVES

Local Government

ROLL CALL

DATE 1-12-95

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	✓		

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Local Government

COMMITTEE

BILL NO. _____

DATE 1-12-95 SPONSOR(S) _____

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Gordon Morris</i>	<i>MALC</i>		

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ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.