

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON STATE ADMINISTRATION

Call to Order: By **CHAIRMAN RICHARD SIMPKINS**, on January 17, 1995, at 9:00 a.m.

ROLL CALL

Members Present:

Rep. Richard D. Simpkins, Chairman (R)
Rep. Matt Denny, Vice Chairman (Majority) (R)
Rep. Dore Schwinden, Vice Chairman (Minority) (D)
Rep. Matt Brainard (R)
Rep. Patrick G. Galvin (D)
Rep. Dick Green (R)
Rep. Antoinette R. Hagener (D)
Rep. Harriet Hayne (R)
Rep. Sam Kitzenberg (R)
Rep. Bonnie Martinez (R)
Rep. Gay Ann Masolo (R)
Rep. William Rehbein, Jr. (R)
Rep. George Heavy Runner (D)
Rep. Susan L. Smith (R)
Rep. Carolyn M. Squires (D)
Rep. Jay Stovall (R)
Rep. Lila V. Taylor (R)
Rep. Joe Tropila (D)

Members Excused: none

Members Absent: none

Staff Present: Sheri Heffelfinger, Legislative Council
Christen Vincent, Committee Secretary

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

Committee Business Summary:

Hearing: HB 139, HB 140, HB 145
Executive Action: HB 139 DO PASS

HEARING ON HB 145

Opening Statement by Sponsor:

REP. JOHN BOHLINGER, HD 14, opened by stating like most older parts of town in his district, a person can find affordable

housing such as older homes, apartments and multiple family dwelling units. There are an interesting group of people from a variety of different cultures living in these homes. According to the most recent census data Hispanics, blacks, Asians, and people of other races represent nearly five percent of Yellowstone County's population and comprise nearly three percent of Montana's population. American Indians are nearly three percent of Yellowstone County's population and nearly six percent of the state's population. Of all these groups of people he is best acquainted with Hispanics in the 1990 census which recorded 3,158 citizens of different cultures.

There is a Spanish-speaking Catholic church in Billings to meet the spiritual needs of the Hispanic community. Eighteen years ago he and his wife established a retreat experience for people of all faiths. At that time the retreat was hosted by the people of Our Lady of Guadalupe. Through this retreat weekend and through the follow up program he and his wife became acquainted and friendly with a number of Hispanic people in their communities. In the ensuing years he has learned of the problems that Hispanics face, such as unemployment, housing, educational and employment opportunities. He stated these people of different cultures arrive in this country without the ability to communicate, without understanding American customs, traditions, and ways of doing business. It was clear to him that an office is needed in government that will serve as an advocate and will assist these new citizens with the problems they encounter.

In 1971 the legislature established the office of state coordinator of Indian Affairs in recognition of the need for an advocate for Indian people. In visiting with the American Indians and native Montanans **REP. BOHLINGER** was in complete agreement that this advocacy office is of great help. He stated that he would like to see Montana provide a similar office for people of other cultures. In Section 1 the bill defines the problems that need to be addressed. In Section 2 it declares the purpose of the office. Section 3 defines what population group the bill is addressing. Section 4 establishes the office and attaches it to the governor's office. Section 5 provides authority for the governor to appoint a coordinator for the proposed office. Section 6 establishes the office for a term of four years. Section 7 defines the duties and responsibilities of the coordinator. He noted that there is a fiscal note for the bill. The fiscal note indicates that for the fiscal year of 1996 there would be a cost of \$95,093 and in 1997 there would be a cost of \$85,143.

Proponents' Testimony:

Jerry Driscoll, Montana State Building and Construction Trades, stated there are many members who are minorities who need help from the office. He related this to a story which occurred during the construction of Colstrip with the Northern Cheyenne people. There were a number of Northern Cheyenne who worked for

the project. After a period of six to eight months many of them stopped showing up for work. No one understood or could find out why. These people followed a Native American religion which believes that it is not proper for people to work when others in the tribe are out of work and had made enough money to make it through the winter. With an office such as the one proposed, it would have been easier for them to find out why these people were not showing up for work. He stated that helping minorities to get into business and for the rest of us to understand the other cultures was a very important part of government.

Rodney Garcia, People for Unity, submitted written testimony.
[EXHIBIT 1]

Christine Kaufmann, Montana Human Rights Network, testified in support of this bill. She stated that she works for a private non-profit group that helps communities celebrate diversity and respond to hatred and bigotry and helps to promote tolerance in the community. The Montana Human Rights Network is a network of twelve local groups. They encourage people to speak out in a loud voice against this kind of activity and embrace groups that are targeted by that kind of hatred.

She thinks that a coordinator in an office of this sort could also help to bring attention to the people of Montana the kind of experiences, hatred and bigotry, these minorities can often experience within their communities. She stated that their one concern with this bill was how it interfaces with the coordinator of Indian Affairs. The Office of Indian Affairs is not based on race or culture; it is based on a legal and political relationship between tribes. She encouraged the committee to see the differences and not to confuse the two offices. She suggested an amendment to make clear there is an Office of Indian Affairs, and this office would be separate.

Kate Cholewa, Montana Women's Lobby, stated this bill helps assure contribution needs and the challenges of those who are new or are outside of the cultural mainstream of Montana. She believes that this service is a preventative measure against cultural and economic difficulty.

Opponents' Testimony: none

Informational Testimony: none

Questions From Committee Members and Responses:

REP. PAT GALVIN asked if under Section 7 if **REP. BOHLINGER** would be willing to accept an amendment to be a member of an effective group.

REP. BOHLINGER stated that he would be willing to accept that as a friendly amendment.

CHAIRMAN SIMPKINS stated that might be appropriate under Section 5.

REP. JAY STOVALL asked if **REP. BOHLINGER** had any data on the percentage of people of Montana who would fall into the category of different cultures.

REP. BOHLINGER stated that different cultures represented nearly five percent of Yellowstone County's population and nearly three percent of the state's population in the latest census. American Indians represent three percent of Yellowstone county's population and nearly six percent of the state's population. There is a greater concentration of people who are of different cultures--Hispanics, Blacks, and Asians who could be included in the category of people of different cultures.

REP. GEORGE HEAVY RUNNER asked if the individual in power would be familiar with the problems facing these people and be able to articulate them.

REP. BOHLINGER stated that it is anticipated that the coordinator would be a member of one of the ethnic groups represented. As a person of a different cultural background he could only be a member of one of these groups. The person employed by this office would be a member of one of these groups, but would represent the concerns of all people of different cultures. It would be incumbent upon him to become acquainted with those issues. With the Office of Indian Affairs the coordinator is a member of one tribe but represents the concerns of all native Montanans.

REP. BILL REHBEIN stated that he was amazed at the fiscal note. He asked **REP. BOHLINGER** to explain what the funds would be used for.

REP. BOHLINGER stated that the coordinator of Indian Affairs, who is also appointed by the governor, receives \$37,250 plus \$9,300 in benefits. The coordinator for the people of different cultures would receive a similar salary. The actual compensation for the job would be \$37,000 as well. There are associated costs in getting this office off the ground for the first year. Some of those costs include a part time employee, operating expenses, and start-up costs for items such as computers and furniture.

REP. BRAINARD asked if **REP. BOHLINGER** had any statistics available for people who would be considered different cultural entities other than American Indians. He asked what the number of immigrants are and what the number of second and third generation immigrants are.

REP. BOHLINGER stated that he had visited with people in the research library and the information was not available.

REP. BRAINARD asked if REP. BOHLINGER was aware of any programs in the state to help these immigrants.

REP. BOHLINGER stated that he was not aware of any programs in the state other than those in his community and district. He stated that the church of Our Lady of Guadalupe has helped such people.

REP. BRAINARD asked if REP. BOHLINGER knew how many immigrants there are and how many of these people would be dealing with green cards.

REP. BOHLINGER stated that he didn't have the answer to the question.

Closing by Sponsor:

REP. BOHLINGER thanked the committee for providing him this opportunity to present this bill which is a concern of not only the people in his legislative district, but also across the state of Montana. He stated people of different cultures are not "lesser than" and want to be a part of the community and part of Montana. These people want to assimilate and want to be productive, tax-paying citizens. They want jobs, education, and opportunity. He feels that through this office and advocates which could act on their behalf, they could help them achieve full citizenship as taxpayers. He stated when a person of a different culture arrives in our communities the door is not always open to them. There are people who are violent, and there are people who treat them with hostility and hatred. He felt this should have no part in Montana. He hoped that when the committee takes executive action on this bill that they would consider this worthwhile and worthy of the fiscal note attached to it.

HEARING ON HB 139

Opening Statement by Sponsor:

REP. ROYAL JOHNSON, HD 10, stated that this bill will allow port authorities to pledge and mortgage property to secure bonds. He explained that a port authority is in the statutes now. There are three in the state of Montana; one in Billings, one in Butte, and one in Shelby. Those port authorities are authorized by law to ask for two mills from the establishing authority to run their port authority. In Billings this generates \$400,000 annually. Port authorities are set up to enhance the economic development activities of the area that they are in. They have combined, in Yellowstone County, the major economic development organizations in the county. These are the Chamber of Commerce, the city of Billings, Yellowstone County, and the trade port authority. He stated that he was not a strong advocate of port authorities because they are allowed, without the vote of the people, to expend money. Since they are there and since he thinks they

provide a very productive and important part of the economy in whatever area they are in, the committee should seriously consider this bill.

In Billings they wanted to build a major addition to a health care clinic. The port authorities got together and decided that would be a worthwhile development. As they went through the procedure there wasn't a section in the law that would allow them to mortgage the building they would build and be able to borrow money against it. They negotiated a tax exempt bond schedule, went to the local financial institutions and asked them to buy the bond under these conditions. The financial institutions wouldn't buy the bond. The authorities had to pledge part of the income they received for the length of the bonds. If they had been able to mortgage the buildings against the project they could have kept the income free and continued on with other projects that were needed. He referred the committee to Page three which he believes is an important part of this bill. This section improves the situation in the state of Montana, the legislature, and the port authorities and the counties under which they are created. He was referring to line 20. He stated that this is the only instance in the bill which refers back to the governing body. He asked to please note on the last page, which states the credited state, county, or municipal government or their agencies or authorities, may not be pledged to provide financial support to development organizations.

Proponents' Testimony:

Jerry Thomas, submitted written testimony. [EXHIBIT 2]

{Tape: 1; Side: B;}

Terry Keating, **Montana Trade Port Authorities Commission**, asked for support of the bill by the committee for three reasons. The first is that this bill allows trade ports to move away from reliance on public dollars and capture private dollar investment. Secondly, it forces the investment to stand on its own merits. The investor or banker cannot look through the trade port to some government entity that would guarantee that loan. The third reason was taxation without representation. This bill makes the port authority more accountable to the public for a portion of their budget. All budgets must be approved by voters. He stressed that the authorities are not elected officials, they are appointed. He stated that the oversight of tax dollars belongs with the county commissioners.

Charles Brooks, **County Commissioner**, submitted written testimony. [EXHIBIT 3]

Bill Fogerty, **Marketing Manager**, **Port of Montana**, **Butte**, stated they primarily engage in transportation activity pertaining to distribution. Both the ports of Shelby and Montana in Butte/Silverbow strongly support this bill.

Gene Huntington, Dain Bosworth, Inc., had the opportunity to assist the Billings port with its finances. This change will make the revenue bond law operate similarly to those which are usually seen with these kinds of projects. It will enhance their ability to do this kind of financing. Normally revenue bonds are financed with some enterprise that can support themselves. By using a more traditional revenue bond they are supporting themselves more.

Bill Leary, Montana Bankers Association, stated that they were in favor of this bill. They view this as an opportunity for the financial institutions across the state of Montana to provide necessary funds to create an era of investing in the economic development of Montana.

Opponents' Testimony: none

Informational Testimony: none

Questions From Committee Members and Responses:

REP. GALVIN asked REP. JOHNSON how he would appease the people who own property who have no voices about taxes imposed for the port authority.

REP. JOHNSON answered by stating that this is not one of his favorite situations. He doesn't like situations where people don't get the opportunity to vote on what is going on in their area. He stated that this is an improving piece of legislation and is part of a series of actions that have really helped economic development without saying that they want help from the government. The port authorities want the opportunity to run a business the way it should be run.

REP. STOVALL asked that in the case of default, who would be responsible.

REP. JOHNSON stated that is the reason the line is so plain on Page four. The debt is not ever to become an obligation of the issuing authority. What has to happen in this case, for those people who are not going to use those facilities, is access to credit or credit enhancements so they can be sure to make those payments. The bill states that the only responsible party will be the trade port authority or those people who carry the mortgages on such buildings.

REP. BRAINARD asked if the port authority is incorporated as a business.

REP. JOHNSON stated that was correct.

CHAIRMAN SIMPKINS clarified that the port authority is granted by other legislation. REP. JOHNSON was trying to state that he didn't agree with that portion of taxing authority without any

participation of the governing body. However, that law already exists. The port authority should be allowed to use the full assets of the organization, in order to promote business within the community. What they are saying is the building will become an asset of the port authority. What they want to do is mortgage the assets as time goes on.

Closing by Sponsor:

REP. JOHNSON closed by stating that this is a process in industry that is needed in the state of Montana.

EXECUTIVE ACTION ON HB 139

Motion: REP. JOE TROPILA MOVED THAT HB 139 DO PASS.

Vote: The motion carried unanimously with REP. HARRIET HAYNE voting yes by proxy.

HEARING ON HB 140

Opening Statement by Sponsor:

REP. MIKE KADAS, HD 66, stated under current law the legislators can receive a copy of the Codes Annotated after they are printed for \$10.00. In the past few years, the Council has begun to offer the Codes on CD ROM. What this bill does is allow legislators to receive the Codes on CD ROM instead of the hard copy for the same amount.

Proponents' Testimony: none

Opponents' Testimony: none

Informational Testimony: none

Questions From Committee Members and Responses:

REP. MATT DENNY asked if REP. KADAS would have any objection to amending the bill to state that they could buy either the hard copy or the CD or both.

REP. KADAS stated that he didn't want the bill to have too much fiscal impact, but if it was done at cost, the amendment would be okay. He stated that the amendment should allow the legislator to purchase both or one.

REP. STOVALL asked if REP. KADAS had any idea of what a CD costs.

REP. KADAS stated that the fiscal note states that it only cost \$2.00 to produce the CD. He stated that he had not checked into it.

REP. DENNY stated that there is a per copy license fee charged for producing the CD.

Closing by Sponsor:

REP. KADAS closed.

DISCUSSION ON HB 145

REP. HEAVY RUNNER stated that he would get some feedback from the Montana Wyoming Tribal Chairmen's Association.

REP. BONNIE MARTINEZ stated that this bill has nothing to show what happens to the money. She stated that in Billings that they don't have very many immigrants, and don't have all the problems that they have to deal with. She stated that education and schooling is there for them. She felt that now the students are going to school and are graduating. She wanted to know what these funds as personal services are going for.

CHAIRMAN SIMPKINS stated that the personal services are the costs of the people's wages and benefits.

REP. MARTINEZ stated that there is nothing in the fiscal note that shows what is going to happen.

CHAIRMAN SIMPKINS stated that the responsibilities are in the bills. He stated that they can be found on Page two of the bill. It states in the bill that the operation expenses are parallel to those of the Office of Indian Affairs.

REP. MARTINEZ stated that in the city of Billings residents are working. She stated that there aren't a lot of non-residents who have these problems.


CHAIRMAN SIMPKINS clarified that **REP. MARTINEZ** was stating that there wasn't enough justification that these services are needed.

REP. MARTINEZ stated that the people who are living there are second and third generation. They aren't new immigrants who need services in the way that the bill suggests with the kinds of funds proposed for this new office.

CHAIRMAN SIMPKINS asked if it would be better to put \$85,000 more into the Human Rights Commission or create this office. He left it up to the committee to think about that until executive action is taken on the bill.

ADJOURNMENT

Adjournment: 10:30 a.m.


RICHARD SIMPKINS, Chairman


CHRISTEN VINCENT, Secretary

RS/cdv

HOUSE OF REPRESENTATIVES

State Administration

ROLL CALL

DATE January 17, 1995

NAME	PRESENT	ABSENT	EXCUSED
Rep. Dick Simpkin, Chairman	✓		
Rep. Matt Denny, Vice Chairman, Majority	✓		
Rep. Dore Schwinden, Vice Chair, Minority	✓		
Rep. Matt Brainard	✓		
Rep. Pat Galvin	✓		
Rep. Dick Green	✓		
Rep. Toni Hagener	✓		
Rep. Harriet Hayne	✓		
Rep. George Heavy Runner	✓		
Rep. Sam Kitzenberg	✓		
Rep. Bonnie Martinez	✓		
Rep. Gay Ann Masolo	✓		
Rep. Bill Rehbein	✓		
Rep. Susan Smith	✓		
Rep. Jay Stovall	✓		
Rep. Carolyn Squires	✓		
Rep. Lila Taylor	✓		
Rep. Joe Tropila	✓		



HOUSE STANDING COMMITTEE REPORT

January 17, 1995

Page 1 of 1

Mr. Speaker: We, the committee on State Administration report that House Bill 139 (first reading copy -- white) do pass.

Signed: *Dick Simpkins*
Dick Simpkins, Chair

Committee Vote:
Yes 18, No 0.

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HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

State Administration

DATE 1-17-95 BILL NO. HB NUMBER 139

MOTION: Rep. Tropila moved Do Pass.

NAME	AYE	NO
Rep. Dick Simpkin, Chairman	✓	
Rep. Matt Denny, Vice Chairman, Majority	✓	
Rep. Dore Schwinden, Vice Chairman, Minority	✓	
Rep. Matt Brainard	✓	
Rep. Pat Galvin	✓	
Rep. Dick Green	✓	
Rep. Toni Hagener	✓	
Rep. Harriet Hayne <i>By Proxy</i>	✓	
Rep. George Heavy Runner	✓	
Rep. Sam Kitzenberg	✓	
Rep. Bonnie Martinez	✓	
Rep. Gay Ann Masolo	✓	
Rep. Bill Rehbein	✓	
Rep. Susan Smith	✓	
Rep. Jay Stovall	✓	
Rep. Carolyn Squires	✓	
Rep. Lila Taylor	✓	
Rep. Joe Tropila	✓	

COMMITTEE PROXY

Date

11/17/95

I request to be excused from the

State Admin.

Committee meeting this date because of other commitments. I

desire to leave my proxy vote with

Pat Galvin

Indicate Bill Number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

HOUSE BILL/AMENDMENT AYE NO

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SENATE BILL/AMENDMENT AYE NO

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Rep.

Dore Salibi
(Signature)

COMMITTEE PROXY

Date 1/17/95

I request to be excused from the State Rd

Committee meeting this date because of other commitments. I

desire to leave my proxy vote with Rose Schwenden or Pat Galvin

Indicate Bill Number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

HOUSE BILL/AMENDMENT AYE NO

HB 140	✓	

SENATE BILL/AMENDMENT AYE NO

Rep. Candlyn Guener
(Signature)

Dr. Martin Luther King said, "injustice anywhere is a threat to justice everywhere. It is a problem that meets every person at their front door." "People for Unity" is an organization of people of different cultures brought together to have one united voice.

We speak for ourselves on issues that concern our difference.

Our difference defined by others, not acceptable by us.

We are people who want to offer support and leadership to people of different cultures. Our vision is "Bringing Together People," and our mission is to stand together as one; to empower people of different cultures both educationally and politically; to empower people with the tools of leadership and communication. On behalf of our organization, I wish to thank you for this wonderful opportunity to address this well respected circle of leaders.

Today we have a growing sense of racial pride and consciousness, our community chooses its leaders to represent their community and express their ideas. We have to assume the responsibility for social change, we have to resist any forms of racial injustice, we have to make our community aware of our vast knowledge and our willingness to educate others about our different cultures. We have to work together, to insure the unification of all people as one. We have to help ourselves and show others how to help themselves. People of different cultures have a common problem, your concerns are our concerns; we have issues that only we as people of different cultures can feel; we have issues that only people of different cultures can address; we have issues that only people of different cultures can speak for!

We are people who understand the worth of having and the worth of sacrificing. We have strength in numbers, our votes together mean majority rule. We need to have more people of different cultures seated on state committees, to insure our input is being heard. We need to support HB 145 which supports the need for an ethnic coordinator, that position could, should and would express our concerns directly to the governor. The position would serve as our circle of communication to each other.

I am here as a representative from "People for Unity" to ask you for your support and your important membership to join us. We have no money, we have people with concerns, strengths and spirit. We are people of different cultures, who share the same fears and hopes, WE Will be a COMMUNITY.

Thank you again for allowing us this opportunity and please give your membership serious consideration. Thank you.

EXHIBIT one
DATE Jan 17, 1985
HB HB 145



2722 3RD AVE. N. • STE. WEST 300 • BILLINGS, MT 59101-1931 • TELEPHONE (406) 256-6871 • FAX (406) 256-6877

January 13, 1995

Representative Dick Simpkins, Chairman
Members of the House State Administration Committee
1995 Legislature
Capital Station
Helena, Montana 59601

Re: Support for H.B. 139, Permitting Port Authorities to Pledge and Mortgage Property to Secure Bonds.

Dear Representative Simpkins:

The Montana Tradeport Authority would like to go on record as strongly endorsing the proposed amendments to Sections 7-14-1104, 7-14-1126, and 7-14-1133, MCA relating to Port Authorities. The intent of this legislative change is to allow port authorities to pledge or mortgage property as security for bonds they intend to issue. These are important changes that will significantly upgrade the quality of bonds issued, thereby bringing down the cost to finance some of our economic development efforts. We need your support to continue the mission of creating jobs, enhancing the economic climate, supporting and maintaining a healthy business climate, and supporting community improvements.

The Montana Tradeport Authority was created by the Yellowstone County Commissioners as the result of public opinion suggesting that local government, in partnership with private business, should pursue economic development projects that create jobs, improve taxable valuation, and enhance the overall economy. Port Authority legislation is the one vehicle that allows local government to actively participate with the business community to bring about significant economic development.

The Montana Tradeport Authority has been involved in some projects that have helped stimulate the Billings area economy such as: Expansion of the Deering Health Clinic, a \$3,000,000 project to serve city/county health needs, a family practice residency program designed to supply eastern Montana with family physicians, a pharmacy, and a dental shop. It is estimated that this project will create several new high paying jobs. Truck driver training school allowing Montanan's an opportunity to be trained, tuition free with room and board provided, and have a job waiting for them when their training is complete. Improvements to support corporate air service needs at the Laurel Airport. Other projects that are currently in development are, expansion of the Yellowstone Art Center, development of a Motor Sports Park, Development of a Montana Manufacturing Center, Development of a Rural Manufacturing Incubator, Development of a Transportation Hub, and Development of a Senior Support Center to name a few.

Center for Business and Economic Development

EXHIBIT Two
DATE January 17, 1995
HB 139

Representative Dick Simpkins, Chairman
Members of the House State Administration Committee
January 13, 1995
Page 2

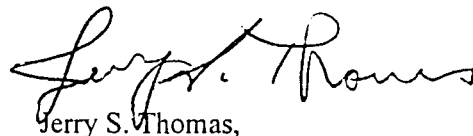
In many of our efforts to coordinate, participate, develop, or just encouraging others to act, we have run into roadblocks. Even though we have the ability to bond our facility, infrastructure, or land acquisition projects, present legislation limits our bonding capacity to the revenues that can be generated by the development. On one occasion we were asked to pledge our taxing authority as additional security to the project. Even though the project would easily stand on its own merit the financial institutions that purchased the bonds felt they needed the additional security. This is not a practice we want to continue. We will continue to look at business and community development projects that will stand on their own merits, but if additional security is needed to assist in the financing of a project or reduce the cost to finance a project, then the ability to mortgage the assets we develop will serve that need, not our property taxes.

In addition, we feel that our successful investment in business and community development will eventually generate a revenue stream for reinvestment that can replace our current reliance on property taxes. In this case the cost of government involvement will go down as the income from these investments go up.

Port Authority legislation does give local government an opportunity to encourage public/private participation for economic development. The public participation will still maintain public scrutiny in that the local government that creates the port authority must approve the project that requires a security interest in any of its assets. In our case the project must be approved by the Yellowstone County Commissioners prior to allowing a security interest in the planned development or any other assets of the Montana Tradeport Authority.

I hope the information I have supplied will help you reach a conclusion that this is legislation you could support. We feel this change will give us a valuable tool in improving the Billings area economy as well as the entire state. If you have any further questions about this legislation or about the Montana Tradeport Authority in general, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jerry S. Thomas". The signature is fluid and cursive, with the first name "Jerry" and last name "Thomas" clearly distinguishable.

Jerry S. Thomas,
Executive Director and
The Montana Tradeport Authority
Board of Directors

County of Yellowstone

COMMISSIONERS



January 13, 1995

(406) 256-2701

Box 35000
Billings, MT 59107

Representative Dick Simpkins, Chairman
Members of the House State Administration Committee
1995 Legislature
Capitol Station
Helena, Montana 59601

RE: Support for H.B. 139, Permitting Port Authorities to Pledge and Mortgage
Property to Secure Bonds.

Dear Representative Simpkins;

The Board of County Commissioners would like to go on record as strongly endorsing the proposed amendments to Sections 7-14-1104, 7-14-1126, and 7-14-1133, MCA relating to Port Authorities. The intent of this legislative change is to allow port authorities to pledge or mortgage property as security for bonds they intend to issue. These are important changes that will significantly upgrade the quality of bonds issued, thereby bringing down the cost to finance some of our economic development efforts. We request your support to continue the mission of creating jobs, enhancing the economic climate, supporting and maintaining a healthy business climate, and supporting community improvements.

We created the Montana Tradeport Authority as a result of public opinion suggesting that local government, in partnership with private business, should pursue economic development projects that create jobs, improve taxable valuation, and enhance the overall economy. Port Authority legislation is the one vehicle that allows local government to actively participate with the business community to bring about significant economic development.

The Montana Tradeport Authority has been actively involved in some projects that have helped stimulate the Billings area economy. Projects that support our City/County Health Department, affordable housing issues, airport infrastructure issues, transportation and other community development projects.

In many of their efforts to coordinate, participate, develop, or just encourage others to act, the Tradeport has run into roadblocks. Although they have the ability to bond the facility, infrastructure, or land acquisition projects, present legislation limits bonding capacity to the revenues that can be generated by the development.

EXHIBIT Three
DATE Jan. 17, 1995
HB 139

January 13, 1995
Page 2.


In addition, we feel that the Tradeport has made a successful investment in business and community development and will eventually generate a revenue stream for reinvestment that can replace current reliance on property taxes. In this case, the cost of government involvement will go down as the income from these investments go up.


Port Authority legislation does give local government an opportunity to encourage public/private participation for economic development. The public participation will still maintain public scrutiny in that the local government that creates the port authority must approve the project that requires a security interest in any of its assets. In other words, the County Commissioners must approve projects prior to allowing a security interest in the planned development or any other assets of the Montana Tradeport Authority and we feel this is extremely important.

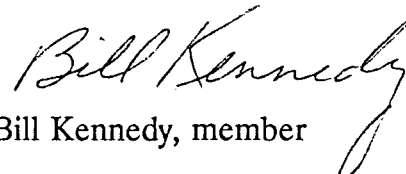
We feel this change will give the Montana Tradeport Authority a valuable tool for allowing improvements in the Billings area economy as well as the entire state. If you have any further questions, please do not hesitate to contact us.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA


Mike Mathew, Chair


James A. Ziegler, Sr., member


Bill Kennedy, member

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

State Administration

COMMITTEE

DATE January 17, 1995

BILL NO. HB 139

SPONSOR(S) Johnson

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NAME AND ADDRESS	REPRESENTING	Support	Oppose
Bill LEARY (HELENA)	Mt. Bankers Assn.	✓	
Tom Hopgood	Mt. Indep. Bankers Assoc.	✓	
Bill Fogarty	Port of Shelby Port of Montana	✓	
JERRY THOMAS	MONTANA TRANSPORT AUTH.	✓	
Tenny Kenting	Montana Transport Auth.	✓	
Charles R. Brooks	Yellowstone County	✓	
Gene Huntington	Dain Boxworth	✓	
Shirley Shandy	Bcp. Food Bank	✓	
Frank Thomas	Rose Park School	✓	

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HOUSE OF REPRESENTATIVES
VISITORS REGISTER

State Administration

COMMITTEE

DATE January 17, 1995

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NAME AND ADDRESS	REPRESENTING	Support	Oppose

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HOUSE OF REPRESENTATIVES
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NAME AND ADDRESS	REPRESENTING	Support	Oppose
Jerry Quisoll <i>Montana State</i>	Building Trades	X	
Lodny Garcia	People for Unity	X	
Kate Cholewa	MT Womens Lobby	X	
Christine Kaufmann	MT Human Rights Network	X	

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