

MINUTES

MONTANA SENATE 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON HIGHWAYS & TRANSPORTATION

Call to Order: By **CHAIRMAN LARRY TVEIT**, on March 21, 1995, at 3:17 p.m. in Room 410.

ROLL CALL

Members Present:

Sen. Larry J. Tveit, Chairman (R)
Sen. Charles "Chuck" Swysgood, Vice Chairman (R)
Sen. Mack Cole (R)
Sen. Ric Holden (R)
Sen. Reiny Jabs (R)
Sen. Arnie A. Mohl (R)
Sen. Greg Jergeson (D)
Sen. Linda J. Nelson (D)
Sen. Barry "Spook" Stang (D)

Members Excused: None

Members Absent: None

Staff Present: Valencia Lane, Legislative Council
Carla Turk, Committee Secretary

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

Committee Business Summary:

Hearing: HB 396
Executive Action: None

Discussion:

CHAIRMAN TVEIT announced there would be a short informational talk before the hearing began. He asked **Mr. Galt** to introduce the speaker.

Dave Galt, Administrator, Motor Carrier Services Division, Montana Department of Transportation (MDT), informed the Committee that Montana was a member with 10 other western states of a Multi-State Highway Transportation Agreement (MHTA). He explained the Association was a coalition of states designed to seek uniformity in transportation issues, particularly with trucks. He further explained the focus of the Association had been on the reauthorization of the National Highways System, and

some reorganization of the National Department of Transportation and stated these were issues that affect Montana in a great way. He introduced the Executive Director of the Multi-State Highway Transportation Agreement, **Bob Luce**, from Phoenix.

Bob Luce, Executive Director of the Multi-State Highway Transportation Agreement, handed out **EXHIBITS # 1, 2, & 3**. He explained that in 1975 Montana, Utah, Idaho and Wyoming came together to help attain uniformity of size and weights of trucks and the movement of hazardous materials. He stated that through the years the MHTA had dealt with diesel emissions, joint ports of entry, international trade routes, transportation funding, and congressional issues.

He stated he had become Executive Director of the MHTA in the previous year and had made it a high priority to visit each state and meet with the Transportation Committees personally. He commented the MHTA had worked with the Congressional Delegation to make changes to allow transportation infrastructure improvements to be made throughout the west. He reported the issues at the annual meeting had been international trade routes, joint ports of entry, diesel emissions and transportation financing. He added there had been a special session to share ideas among states regarding financing of streets and roads.

Mr. Luce referred to the Intermodal Surface Transportation Efficiency Act (ISTEA) passed in 1991 by Congress. He explained ISTEA mandated that all 50 states had to submit a plan for the National Highway System within their state to the Federal Highway Administration. He referred to the center page of **EXHIBIT # 2** and explained that was the combined map of all 50 states. He informed the Committee the cost of implementing the plan would be \$3.2-billion and would be financed through the Federal Motor Fuel Taxes. He added few people were aware that \$.01 of the Federal Motor Fuel Tax totalled a collection of \$1.1-billion, therefore the \$.184-tax accumulated \$23-billion annually in the Federal Highway Trust Fund. He explained \$6-billion was syphoned off each year for deficit reduction. He said ISTEA mandated the 159,000 miles of highway systems had to be adopted and passed by Congress by September 30, 1995. He reported there had been a diligent attempt to pass the National Highway System Bill last year, but the Bill had been sent to a Conference Committee and no agreement was reached. He explained that a new bill for the funding of the National Highway System was introduced in 1995 and at the present time there had been five hearings in the House of Representatives and three hearings were scheduled in the Senate Subcommittees. He referred to **EXHIBIT # 1** which was a brief description of the importance of the legislation to Montana. He explained the bill could mean \$80-million a year in funding for Montana for the improvement of infrastructures on Interstates, bridges, Primary roads and increasing infrastructure in certain cities.

Mr. Luce explained, that under the Clinton Budget Proposal, of the \$23-billion collected in the Federal Highway Trust Fund, only \$8-billion would be committed to Highway Transportation. He said the decrease would be significant for western states.

Questions From Committee Members and Responses:

SENATOR ARNIE MOHL asked what would happen if the bill for funding the Highway System did not pass? **Mr. Luce** replied that if the bill failed the entire funding mechanism for the National Highway System would come to a halt and the \$3.2-billion would not be given to the states.

SENATOR MOHL asked if the states' funding would be back to the one-to-one match if ISTEA failed? **Mr. Luce** replied that he did not foresee any changes in the formulas under the current bill, but he believed there would be an attempt to change the formulas under ISTEA II. He informed the Committee there was currently \$21-billion in the Federal Highway Trust Fund being held solely to help balance the budget. He explained there was a debate in Congress to take the Trust Funds off-budget and allow them to be spent.

SENATOR MOHL stated that \$25-\$30-million was being withheld from the State of Montana every year, and the State had more money laying there. He said that currently the money could not be spent for anything else, and someday Montana may get it. He stated that money was being kept in Trust to balance the budget, and said the only problem was it didn't actually balance the budget it just made the budget look good.

CHAIRMAN TVEIT thanked **Mr. Luce** for his informational presentation and welcomed him to Montana.

CHAIRMAN TVEIT RELINQUISHED THE CHAIR TO SENATOR SWYSGOOD.

HEARING ON HB 396

Opening Statement by Sponsor:

REPRESENTATIVE HARRIET HAYNE, H.D. 86, Dupuyer, handed out **EXHIBIT 4**, and stated HB 396 was an act clarifying who was responsible for the expenses of cutting or raising utility wires or moving utility wires and poles when the wires or poles impede the movement of certain houses, buildings, derricks, or other structures. She reported HB 396 was a collaborative effort between Montana's electric utilities and the house mover's industry. She explained that under present rules and conditions electric cooperatives did not object to the moving of houses, grain bins and other structures and had been willing to absorb

such costs on an occasional basis. She further explained there were currently plans by developers in the State to move 50 or more exceptionally high structures from a single site. She said current law didn't presently anticipate such large scale moving of buildings. She reported the electric utilities had reached a compromise with the house movers industry providing that the electric utility would pay for the expenses related to moving a structure under 25-feet in height through a cooperative service area. However, the expenses associated with the move of structures numbering 6 or greater would be paid by the owner of such structures. She explained that under current law if utilities charged for the moving of wires, poles, etc. they were limited to the established rates of the Public Service Commission (PSC) for utilities under their jurisdiction. She maintained that the established PSC rates in rural areas were not enough to cover the service costs incurred by the rural cooperatives. She cited a recent situation where a home with a load height of 28-feet was moved through the service territory of Fergus Electric Cooperative. She said the cost to Fergus Electric for facilitating the move was \$7834; the amount Fergus Electric was allowed to charge under the present law was \$3604, leaving the members of the cooperative \$4230 to absorb. She said these amounts did not include the loss of revenue when the power was shut off during the move. **REPRESENTATIVE HAYNE** said HB 396 was important to the cooperatives and all electric utilities, to protect them from unreasonable costs when numerous building moves take place.

Proponents' Testimony:

Steve Balster, General Manager of Fergus Electric Cooperative in Lewistown, read his testimony in **EXHIBIT # 5**. He also read a letter of testimony from their consumer member **Ronald A. Combs, Vice President of Casino Creek Concrete, Exhibit # 6**.

Howard G. Robinson, member and General Manager of Northern Electric Coop, stated it was unfair to expect the members of the electric cooperatives to bear the cost of the moving of a building for someone else's gain. He termed it a matter of economics and stated his company could not afford the absorption factor. He said he supported HB 396 as amended.

Ernie Otompahk, Abel House Moving in Missoula, stated Mr. Jay Downen from the State Electric Cooperative had asked him to participate in a joint meeting to work on a compromise bill regarding the costs to electric co-ops of moving buildings. He said numerous representative parties were present, and HB 396 was the result of the negotiations.

Jo May Barker, Director of Public Relations for the Montana Electric Cooperatives' Association, handed out **EXHIBIT # 7** which was a fact sheet regarding HB 396. She reported that Montana rural electric co-ops were member-owned, not for profit companies

whose sole source of revenue came from the sale of electricity to the member owners. She explained that currently the costs associated with the movement of high structures and homes had to be passed to the consumer. She insisted the responsibility for the costs associated with moving a house or other structure should be in the hands of the owner of the structure and not the members of the co-op. She said Montana's business community had historically agreed that profit should not be made at the expense of a consumer. She clarified that the Bill was not directed at one individual or a single community such as St. Marie, but simply a response to plans by developers in Montana to move multiple homes through the cooperative service areas at a substantial cost to cooperative members. She maintained that HB 396 would benefit the members not the cooperatives. She noted most other states required the owners of the structures to bear all costs associated with the move. She summarized that the rural co-ops could not afford to absorb more costs and subsidize the commercial gain of others, and therefore supported HB 396 on behalf of the electric cooperatives.

Written testimony which had been sent to the Committee was presented for the **Montana Independent Telecommunications Systems, Inc., (EXHIBIT # 8).**

Opponents' Testimony:

Basil Fuller, resident of St. Marie, said the residents of St. Marie opposed HB 396 because it was discriminatory, in that it was specifically drafted to prevent the movement of the houses from St. Marie. He reminded the Committee that laws which discriminated against one element of the society or targeted one element of society was discriminatory. He explained St. Marie was a developing community and had much to contribute to Montana which could more than override the costs incurred by the moves. He reminded the Committee of the economic hit Glasgow received when the air force base closed; the population dropped from 15,000 to 3,000. He explained St. Marie was a developing community and was not yet big enough to be self-supporting as far as streets and water system. He said the owner of the development needed to sell 200-300 more homes to raise capital to make St. Marie a more viable community. He reported the owner of the development wished to sell some of the homes to communities which desperately needed affordable housing in order to raise enough capital to save himself from bankruptcy. **Mr. Fuller** felt that if the owner, **Mr. Kelly,** went bankrupt the current residents of the retirement development would lose their investments in their homes due to an inability to sell them or maintain the water system.

Mr. Fuller reported that according to the Federal Department of Commerce every retired income family, 2 people or more, added enough money into a community to be the equivalent to 3½ full time factory jobs. He said that according to those figures St.

Marie had put 350 people to work in the community and increased the tax base 100 fold. He alleged that if HB 396 passed **Mr. Kelly** would be out of business, but so would the residents of St. Marie who had invested their life's savings in the community.

CHAIRMAN TVEIT RESUMED HIS POSITION AS CHAIR.

Martin Blanks, St. Marie, Glasgow, claimed HB 396 was a bad bill specifically aimed at St. Marie. He said the rural electric did not pay for the use of public right-of-ways. He reminded the Committee that the utility companies had won half the cost in 1983 and now they had returned to obtain all of the cost. He maintained that while other states were putting utility lines underground, Montana was still installing lines above ground.

James Elrod, St. Marie, handed out **EXHIBIT # 9** which was a picture from the Glasgow paper. He noted the picture showed a truck which had been charged a license fees, a driver who had bought a license, gasoline for the truck which covered road fees and all were being restricted by power lines that had paid nothing. He stated **Mr. Kelly** had been met with resistance on the St. Marie project at every turn. He explained the property adjacent to St. Marie had been bought by Boeing Aircraft and they were taxed \$65/acre, while **Mr. Kelly** was being taxed at the rate of \$365/acre. He reported that railroad property utilities generally paid for trespass moves when required, while on public highways private utilities generally paid for trespass movement to accommodate the public. He noted co-ops were usually given free right-of-ways on both public and private land, furthermore most states required utility lines to be underground.

{Tape: 1; Side: B}

Mr. Elrod recounted that President Roosevelt had instituted REA's in 1932. He referred to **Ms. Barker's** claim that co-ops should not have to subsidize other people and stated that taxpayer's have been subsidizing the REA's since 1932. He stated his opposition to HB 396.

Vincent Orme, St. Marie, said he had served in the Army for 22 years and attested to having read a lot of legislation during that time. He reported having read HB 396 and stated he had never seen such blatant discrimination in any type of legislation anywhere. He noted the language on page 2 of the amendment specifically singled out St. Marie and **Pat Kelly**. He reported St. Marie was not a municipality yet but hoped they would be by August. He wondered why the proponents of HB 396 were against economic growth and development in an area which desperately needed it. He noted retirees pay taxes to the county and state on money earned elsewhere. He claimed retirees would spend more money in Valley County in their first three years than most citizens of Montana spend in 20 years. He asked why the Legislation was out to prosecute or execute **Mr. Patrick Kelly** and

the citizens of St. Marie and suggested Committee members ask themselves that question.

CHAIRMAN TVEIT clarified that the Legislature did not propose the bills. He stated the Committee was neither for nor against this Bill when it was brought forth. He explained that the public brought the bills in, in this case the REA's, and the Legislature was charged with listening to the testimony and deciding what was best for the State.

Elmer Maxey, St. Marie, reported that of the 208 families living in St. Marie there were only 29 children who used public schools, yet all of the families paid school taxes as well as State and local taxes. He further noted that all but 5 or 6 families living in St. Marie had earned their retirement from somewhere other than Montana. He insisted the community brought many benefits to Montana and asked nothing in return.

Ernie Johnson, farmer in Chinook, stated the recycled homes **Pat Kelly** was selling were clean, well built and a great opportunity for the middle to lower income levels. He believed HB 396 was unfair because it targeted the 6th through the 50th person moving a home. He estimated that under current law the charges for moving utility lines when moving the home he hoped to buy at St. Marie, to Chinook, would be \$5000-\$6000. He said that if HB 396 passed, the cost would double and make financing even more difficult.

Wayne Dean, from Great Falls, stated he was a professional engineer, home builder, landlord, and engineering consultant. He reported that when he had decided to buy some of the homes from St. Marie he had made contacts to discern what rulings pertained to the moves and reported having contacted the utility companies who had responded promptly. However, Fergus Electric had sent him a lengthy letter informing him it would take 6 days to move across their system and the entire moving costs of \$13,500 would be his responsibility. He stated he then contacted Fergus Electric and informed them that by Statute he was only responsible for half of the costs. He said that at that point Fergus Electric had informed him they were not under the jurisdiction of the Public Service Commission (PSC). He related that when he had finally completed the development process and it came time to move the homes it only took less than 2 days to cross Fergus Electric's system. He summarized that since the move took one-third of the time the co-op had estimated, he said the cost should also have been one-third of the total. He stated that different equipment was used by Fergus Electric and cost a little more than the original estimate. He said that by dividing the time element differentiation from the original estimate he felt Fergus Electric had only incurred costs of a little over \$1000 more than Fergus had charged him. He said the term in reference to cost which could be charged was an indeterminate amount. He reminded the Committee that REA's operated on federal assistance and benefit from the use of public right-of-ways free

of charge. He said the sale of the St. Marie homes would benefit the people of Montana, increase the tax base, lower the jeopardy of St. Marie and benefit the entire State of Montana.

Pat Kelly, Valley Park Inc., handed out: **EXHIBITS # 10, 10A, & 10B; EXHIBITS # 11, 11A 11B, 11C, 11D, 11E, 11F, 11G, 11H, 11I, 11J, 11K, & 11L; AND EXHIBITS # 12, 12A, 12B, 12C, 12D, 12E, & 12F.** He paraphrased his written testimony in **EXHIBIT 11** and referred to **EXHIBIT # 12**, regarding moving costs and how those exorbitant estimates curtailed his financial progress. He stated that currently HB 396 was proposed to stop his progress entirely.

Mr. Kelly explained the figures in **EXHIBIT # 10** and referred to the criteria stated within **EXHIBIT # 10A**, which he maintained would support those figures. **Mr. Kelly** stated that the figures in **EXHIBIT 10B** showed that previously proposed legislation to encourage retirees to move to Montana wouldn't have generated a positive fiscal impact as great as he had created in St. Marie. He outlined the contents of **EXHIBIT # 11A-11L** and asked the Committee to try to find time to review the concerns of those who had corresponded. He stated **EXHIBIT #12** explained the Supreme Court's opinion that it was fair for movers and utility companies should each pay half of the moving costs. He said the court ruling also determined that the cost should be passed on to the consumers. It was his conclusion was that there wasn't any cost to be passed on and if there was, \$1/year per member wasn't too much to ask for the use of public right-of-ways. He said the law was in place, and the utility companies had a business structure which should prevent economic loss for anyone. He said there was no reason for HB 396 to be passed, because other businesses were required to fix problems internally. He stated that if a business was subsidized long enough he thought they were inclined to pass problems back to the government to fix. He said that HB 396 could potentially close down a viable business that was good for the economics of Montana.

Mr. Kelly discussed material in **EXHIBITS 12B & 12F** and said that even though the PSC stated the utility company could charge a total of \$2489.40 for the described move, with \$1244.70 being charged to the mover. He explained the figures on **EXHIBIT # 12A** and said that Fergus Rural only incurred actual expenses of \$705.00, received \$1244.70, and with passage of HB 396 the 6th person to move a home would pay \$2489.40.

Mr. Kelly said he had no way of absorbing the additional costs which would be incurred with passage of HB 396. He stated economic and rural development was important to Montana and said his venture had helped the rural development of that area. He maintained there wasn't another rural development which had done more to help a rural climate than the one at St. Marie. He said it was also best for Montana to help low income families acquire the homes they needed. He urged that HB 396 not be passed.

{Tape: 2; Side: A}

THE COMMITTEE RECESSED AT 5:00 P.M. AND RECONVENED AT 5:56 P.M.

Questions From Committee Members and Responses:

SENATOR ARNIE MOHL said the Bill did not address how the costs would be split on the first six moves, and asked how that would be done? **Steve Balster** replied the first six would be charged according to the PSC rate.

SENATOR MOHL said there had been testimony stating that the Cooperatives didn't fall under the PSC regulation? **Mr. Balster** replied yes, but they did fall under the PSC chargeable rates. He said their attorney had taken exception to that interpretation, based on the prefabricated home section. He said the charges actually charged **Mr. Dean** had been based on the PSC charges, by a set rate per wire.

SENATOR MOHL asked for clarification that the first five moves would be split fifty/fifty? **Mr. Balster** replied it would be close to 50/50.

SENATOR MOHL asked if structures under 25 feet in height would count in the first 5? **Mr. Balster** replied they would not.

SENATOR GREG JERGESON maintained that language contained in the Bill indicated all moves would be charged, as there was no language in the Bill which exempted the first 5 moves. **Steve Balster** stated the intent of HB 396 was to charge the PSC allowable for the first 5.

SENATOR JERGESON asked what the time frame was for judging whether or not the number of units moved was 6 or more? **Steve Balster** stated it would be counted as six moves from any one site and there was no time limit.

SENATOR MACK COLE asked what would happen if St. Marie became a municipality? **Jay Downen** explained the Bill was specific in that on page 1, lines 23-25 it stated 'Except as provided in subsections (4) and (5), the necessary and reasonable' costs must be shared by the person and the utility. He stated that was the language which exempted the first five, and the Bill was specific to a site, versus a municipality which was not regarded a single site.

SENATOR COLE asked what the definition of a site was? **Mr. Downen** referred to page 2, line 9, and said they had worked with the Legislative Council to arrive at a definition which would avoid any implication toward discrimination. He stated the arrived at definition was that 'a single site includes but is not limited to a development complex, housing complexes, military base, or

institutional complex', with notation that a municipality was not a single site.

SENATOR CHUCK SWYSGOOD said he took exception, by his own interpretation, to **Mr. Downen's** interpretation of who was exempt regarding the first five moves. He referred to two areas of language within the Bill and stated the language needed clarification regarding the intent of the exemption for the first 5 moves. **SENATOR SWYSGOOD** asked if there had been input from the ratepayers on HB 396, regarding the costs associated with moving the utility lines? **Mr. Downen** stated the Bill was brought to the Legislature reluctantly, as a result of the desire of ratepayers in several cooperatives state-wide. He said ratepayers had expressed resistance to paying subsidization for someone else's gain. He reported the Fergus Electric ratepayers would have to subsidize at the rate of \$7 per family. He stated those ratepayers were angry to have the added expense forced upon them. He said cooperatives were nonprofit by law, and stood to gain nothing with or without the Bill.

CHAIRMAN TVEIT asked if the cost could be distributed to ratepayers across the state? **Jay Downen** replied the law prohibited that, and explained that the REAs were individual cooperatives. He said the 3100 ratepayers in Fergus Electric would have to pay for moves through Fergus' area, etc.

SENATOR REINY JABS asked how the cost of the move was determined? **Mr. Balster** replied the REA's were not supervised by the PSC but PSC rules required cooperatives to charge for the cost of moving the wires, with PSC rates.

SENATOR JABS asked if it was a fixed rate? **Mr. Balster** stated yes, the rate for the first initial wire move per structure was \$41.50, \$34.25 for the second wire per structure, and the rate decreased through to the fourth wire move per structure. He said they were only allowed to charge on the basis described.

SENATOR JABS asked if the ratepayers at Fergus should help subsidize the Glasgow economy? **Basil Fuller** stated REA's were subsidized by every taxpayer and turn-about was fair play. He did not understand why they could not help subsidize a depressed area when utility cooperatives had been provided government grants, low-interest federally guaranteed loans, and free use of the public right-of-ways.

SENATOR BARRY STANG asked if co-ops paid for the use of public right-of-ways? **Jay Downen** replied there were a number of occasions where they did not pay right-of-way.

SENATOR STANG asked if they paid for right-of-ways across public highways? **Mr. Downen** replied he could not say specifically; sometimes they did, and sometimes they didn't.

SENATOR STANG asked what the process would be for St. Marie to become an incorporated municipality, and how long it would take. **Pat Kelly** replied the residents were looking into it but he was not sure what length of time-frame would be required. He stated several individuals had estimated the time differently.

SENATOR STANG asked if St. Marie could circumvent effects of HB 396 by becoming a municipality, or would they be preempted because they were previously considered a site? **Valencia Lane** said she interpreted the Bill to state, in a free-standing sentence, "The whole of an incorporated municipality is not a single site as the term is used in the subsection." She thought that once St. Marie was an incorporated municipality they would no longer be considered a site.

SENATOR JERGESON asked how HB 396 would cause his project to fail? **Mr. Kelly** stated the only avenue of financing he had for St. Marie was to sell some of the homes for movement from the site. He said passage of HB 396 would make it nearly impossible to sell the homes to be moved. Therefore the bank's collateral, the homes, would be worthless and they would foreclose. He stated that with passage of HB 396 any individual who bought a house to be moved from the site would have to pay 100% of the utility's costs considered reasonable by PSC rule. He stated he had asked the PSC to attend the hearing to explain the basis for the rates. He believed he had demonstrated the rural coops were charging more than their actual costs.

SENATOR JERGESON asked how the Bill would affect the value of the property of residents at St. Marie? **Pat Kelly** stated that for various reasons there were currently 30-40 homes for resale by the homeowners, with no available market for those homes. He explained that the water system and infrastructure could not be supported by the number of people in the area. He explained that some working capital must be realized to facilitate maintenance and growth in the community. He stated that capital must be realized from the sale of the movable homes and HB 396 would prevent those sales from occurring. He attested that if St. Marie failed, all of the homes would have to be moved.

CHAIRMAN TVEIT stated it was unfair for the sixth, and consecutive buyers, to pay the full cost simply because the home came off of a single site. He said some of those homes may only be moved a short distance to where it was connected to REA utilities. He stated that the Committee Staffer suggested the Bill needed considerable work on the language before it could be passed from Committee. He stated there was need for some extensive amendments. He asked **Mr. Downen** if he thought the Bill read fairly when any number of these homes could become a co-op consumer, after having paid 100% of the moving costs? **Mr. Downen** replied that his argument was sound. He submitted that usually in a business deal there was a buyer or seller, and usually the seller made arrangements to cover the cost of doing business. He

stated that those homes which had been moved from the site, and resold, had realized a substantial profit. He said that potentially arrangements could be made between the buyer and seller to cover the cost of doing business. He said the buyer wouldn't always have to pay the entire cost. He stated appreciation for the suggestion, and said they would be amenable to amendments he may advise.

CHAIRMAN TVEIT interpreted that the Bill was directed at developers and single sites. He stated that when the Bill specified a single site it, would also affect an individual who wished to buy a home from a single site. He said that individuals would have to pay the total cost. He stated the Bill was unfair because it not only targeted developers, but it also targeted individuals and potential customers of the co-ops. **Mr. Downen** said he couldn't agree with the Chairman more. He stated the power lines were constructed 1½ feet above the National Electric Safety Code minimums. He explained that was why HB 396 reflected a higher structure limit. He contended there is a nuisance factor involved in moving structures with such extreme height. He said they would embrace the opportunity to work on recommended amendments.

SENATOR MOHL asked how the height of 25 feet was arrived at, in view of existing line heights and the flexibility and sag in the wires? **Steve Balster** said the sag of the wire depended on the span of the wires. He said they normally tried to keep their wires 23-25 feet high.

SENATOR COLE asked for clarification and justification as to how the REA's determined how much it cost them for the moves? **Mr. Balster** stated their costs were based on: actual time sheets, \$7834; the amount they were allowed to charge under the PSC, \$3604. He stated the charges were real, not imaginary, based on a move of 190 miles, 211 wires to raise at 82 crossings.

SENATOR JERGESON said he suspected **REPRESENTATIVE HAYNE** had voted for **REPRESENTATIVE GRINDE's** bill regarding "takings". He interpreted the definition of a "taking" as a regulatory action on the part of government that reduced the value of someone's property. He asked **REPRESENTATIVE HAYNE** if she agreed with the definition? **REPRESENTATIVE HARRIET HAYNE** replied she was not able to answer that since the bill had passed some time ago.

SENATOR JERGESON asked, in her opinion, what was the definition of a "taking", and what constituted a "taking" of somebody's property without compensation? **REPRESENTATIVE HAYNE** asked if he was referring to the Private Property Act?

SENATOR JERGESON stated he was referring to the whole issue of government regulatory action which constituted the "taking" of someone's private property, because it reduced or eliminated the value of their property. He asked if she would agree that a "taking" was a regulatory action which reduced or eliminated the

value of a person's private property? **REPRESENTATIVE HAYNE** stated she would say that, yes.

SENATOR JERGESON asked if she agreed that HB 396 would reduce the value of the property held by **Mr. Kelly**? **REPRESENTATIVE HAYNE** replied she did not think it would.

SENATOR JERGESON asked if she agreed that cash was important in determining the value of property? **REPRESENTATIVE HAYNE** stated it certainly was.

SENATOR JERGESON asked if a government regulatory approach increased the cost and decreased the cash flow opportunity of a particular piece of property, would that, in her mind, constitute a "taking"? **REPRESENTATIVE HAYNE** replied perhaps, and said she didn't believe HB 396 had too much to do with that. She felt that the ratepayers of the utility, or those that had to pay their bills should not have to pay subsidies for someone else who was in business.

SENATOR JERGESON stated he was trying to arrive at the Sponsor's perspective and understood her to say that passage of HB 396 would potentially reduce **Mr. Kelly's** cash flow. **REPRESENTATIVE HAYNE** replied "certainly, but he is in business."

SENATOR JERGESON stated maybe he should ask some of these questions of **Mr. Downen**. **SENATOR JERGESON** asked what a government action was which would constitute a "taking", or was that an over-blown issue this Session? **Mr. Downen** stated he could see the line of questioning. He suggested HB 396 be examined in proper context as opposed to the emotionally charged context of the "takings" legislation. He related that Montana was a "permissive" state while most other states were not. He explained that 21 years ago Montana had acted, through its Supreme Court, to take the very unusual step of creating a condition of subsidy. He said that to say the utilities shall pay those necessary and reasonable costs, to approach this issue from a historical point, may be approaching a different plane of imposing a new regulation to "take" or deprive the value of the property. He stated he understood **SENATOR JERGESON'S** point, but did not consider the concept to be on the level considered a "taking".

SENATOR JERGESON asked for clarification that **Mr. Downen** did not feel that changing the law to increase the cost of a person doing business, was a major departure from current law. **Mr. Downen** stated it certainly was a departure, in the fact that it caused business to pay its full cost of doing business, it was removing a subsidy.

SENATOR JABS asked **Basil Fuller** if he believed the ratepayers of Fergus Electric should subsidize Glasgow? **Mr. Fuller** replied Glasgow was a depressed area until **Mr. Kelly** decided to open a retirement area, in spite of the odds. **Mr. Fuller** stated he had

not meant that the Fergus ratepayers should pay for that, he had meant to suggest they should pay a fair share in return for having used public right-of-ways for free over the years. He said he was only asking for some assistance; allowing the movement of these homes would help people all over the State. He stated he did not understand why, for a short period of time, the ratepayers could not help the people who need the low cost housing. He stated that moving these houses might cost the ratepayers in Fergus County \$2, and said he didn't believe the ratepayers of Fergus County would object to \$2 if they realized the benefit which would be derived by people across the State.

SENATOR JABS stated there are a thousand houses in St. Marie, and if they all were sold and moved that would create a tremendous cost on a small group to help another small group. **Mr. Fuller** stated he believed the Bill should be amended; allowing a specific number of homes to be moved, for the purpose of allowing **Mr. Kelly** time enough to create the needed cash flow, which would make St. Marie an appealing community. He said that if the community were more saleable, the residents would assist in selling the homes. He contended this would allow them to stay in St. Marie where all residents would be ratepayers for the duration of their lives versus the outcome of the passage of HB 396.

SENATOR JABS asked if **Mr. Fuller** knew the value of the right-of-ways the REA's were using, and how much subsidy they received from the government? **Mr. Fuller** stated he was not sure but he believed members of the REA paid a cheaper rate for electricity than was offered through some other utilities.

Opponents' Testimony:

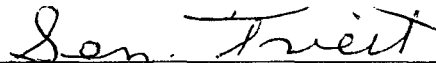
CHAIRMAN TVEIT handed out (EXHIBIT # 13) from **Mr. Noel Davidson** of Davidson Realty in Havre.

Closing by Sponsor:

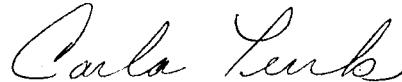
REPRESENTATIVE HAYNE insisted the Bill was not aimed at St. Marie and stated the Bill would affect the movement of other large structures. She maintained there were 300,000 rural ratepayers who wanted business to pay its own expenses. She asked why small ratepayers should have to pay the expense of moving these houses? She said the Bill was important to the customers of both the electric co-ops and other utility companies, so they would not have to absorb unreasonable expenses which were not created by the utility itself. The Sponsor urged support of HB 396 and offered amendment number HB039601.ADB (EXHIBIT # 14).

ADJOURNMENT

Adjournment: CHAIRMAN LARRY TVEIT adjourned the meeting at 6:40
p.m.



CHAIRMAN LARRY TVEIT, Chairman



Carla Turk, Secretary

LJT/cmt

MONTANA SENATE
1995 LEGISLATURE
HIGHWAYS AND TRANSPORTATION COMMITTEE

ROLL CALL

DATE _____

3/21/95

[illegible]

SEN:1995
wp.rollcall.man
CS-09

MULTI-STATE HIGHWAY TRANSPORTATION AGREEMENT

Created by statute and dedicated to the safe, efficient movement of people and goods.

Arizona California Colorado Idaho Montana Nevada Oregon Utah Washington Wyoming
SENATE HIGHWAYS

EXHIBIT NO. EX 1

DATE 3/21/95

BILL NO. Presentation only

erman
Michael G. Waddoups
House of Representatives

erman-Elect
W. Harrison
House of Representatives

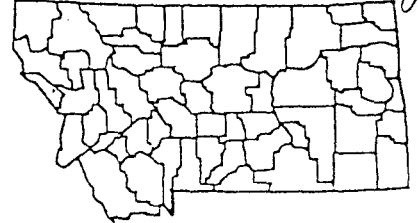
Chairman
d Berry
Transportation

Secretary
nn E. Wood
House of Representatives

Treasurer
-on Nichols
ern Highway Institute

Consultant
J. Robert Luce
Associates

Montana Needs the National Highway System



Congress will consider legislation that would designate a National Highway System to modernize and improve the nation's busiest and most important roads, including those in Montana. Nationwide, the system would comprise some 159,000 miles of roadways that carry 40 percent of urban highway traffic, 42 percent of rural travel, and 75 percent of commercial truck traffic. The program would be paid for by funds already collected from highway users and now sitting in the nation's Highway Trust Fund—not new taxes.

Montana would benefit significantly from the National Highway System. It would:

- Bring \$80 million a year in federal highway funding to Montana;
- Maintain and upgrade 3,809 miles of Montana's key roadways, including all 1,191 miles of Interstate highways—roads that carry 55.5 percent of the state's motor vehicle traffic;
- Improve key highways to cities not currently served by an Interstate, such as Lewistown and Kalispell;
- Improve roads in rural communities and to tourist attractions, like Yellowstone and Glacier National Parks, and the headwaters of the Missouri River.

Montana needs the National Highway System. A Federal Highway Administration report shows that 24.4 percent of Montana's bridges are in need of replacement or repair. If Congress approves the National Highway System, the people of Montana and the nation will enjoy better, safer roads and bridges, less traffic congestion and pollution, and a stronger economy.

MHTA TRANS-WEST NEWS

SENATE HIGHWAYS

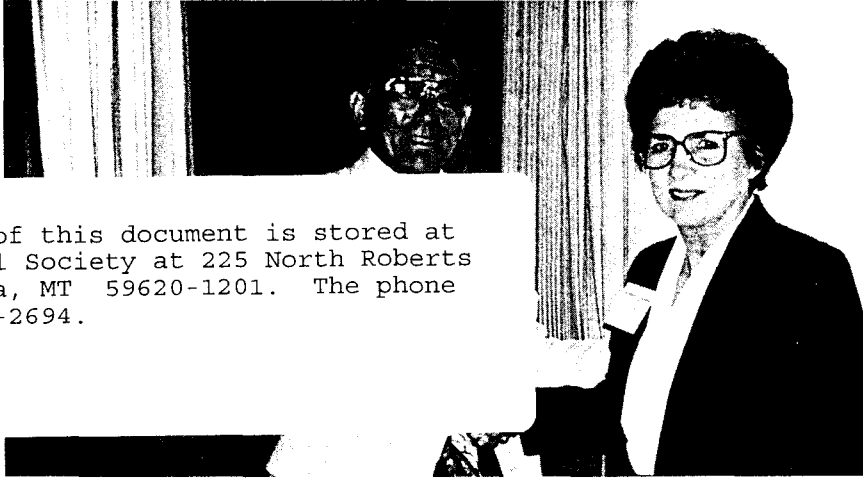
Multi-State Highway Transportation Agreement

EXHIBIT NO. 2

DATE 3/21/95

BILL NO. Presentation Only

MHTA TESTIFIES ON NATIONAL HIGHWAY SYSTEM



The original of this document is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

U.S. Representative Norman Mineta, Chairman of the House Public Works and Transportation Committee congratulates MHTA Chairman, Arizona State Representative Lela Steffey on MHTA Leadership and Reorganization to pass the National Highway System and solve Western Region Transportation challenges.

MHTA TESTIMONY TO THE U.S. SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Thank you Chairman Baucus and Senators for the opportunity to express the views of our Multi-State Highway Transportation Agreement (MHTA) organization on this vitally important National Highway System issue.

The Multi-State Highway Transportation Agreement (MHTA) is a state sanctioned organization of Western States composed of State Legislators, government administrators, enforcement officers, research representatives and private sector executives. MHTA is established by Statute in Arizona, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming. MHTA was established in 1975 to resolve mutual transportation problems unique to the Western States, provide input to federal discussions in the West, promote a safe, productive and efficient use of our Western Highway Transportation System, promote the uniformity of Western States Laws and provide a forum for state legislators, government administrators and industry executives to identify, discuss and resolve mutual regional problems. Major accomplishments of MHTA have been: 1) Drafted and passed legislation authorizing Joint Ports of Entry; 2) Actively promoted the CVSA; 3) Established Joint Ports of Entry-Utah-Wyoming; Utah-Arizona; 4) Promoted development of weighing in motion systems; 5) Conducted two studies on the safety and use of Longer Combination Vehicles (LCV's); 6) Conducted three regional wide Hazardous Materials Seminars; 7) Conducted regional seminars on safety, education, drug testing, licensing, registration and LCV operations; 8) Developed, with WASHTO, standard definitions and descriptions of vehicles for legal operations on Western Highways; 9) Promoted the education of legislators and governmental officials on the mutual problems of highway transportation; 10) Conducted educational regional seminars on NAFTA and Air Quality Conformity; 11) Promoted uniformity of western states laws; and 12) Communicated the true transportation needs of the West to the Federal Government.

MHTA has never mandated changes in transportation or vehicle safety by any state. Instead, we seek to preserve the freedom to address concerns unique to the West and to provide joint solutions by those state legislators, government officials and industry representatives.

Each of our ten Western states in passing by statute, the mission and scope of our western multi-state organization committed with purpose, our joint efforts to provide for economic vitality, road safety conditions, and mutual benefits for the efficient movement of motorists and of freight, and to secure a bond to retain the lifeline of both urban and rural America, inclusive of the West-our National Road System.

The importance of the immediate passage of this country's National Highway System is crucial to achieve the creditability of the North American community that the United States is serious about funding both International Trade Routes and those designated corridors as recommended by the 50 State Departments of Transportation and confirmed by the Federal Highway Administration. Passage of NHS this year will provide an economic stimulus to this nation's business community, to commerce and industry in every state, and will aid greatly to alleviate unemployment. Furthermore, NHS passage will insure safer roadways to reduce medical costs, needless deaths and injuries, and unnecessary accidents. It will improve reliable access to expanded labor and supplier markets making this nation more competitive economically and will complete the intention of the Congress, given in the 1991 ISTEA legislation, to provide for a comprehensive national transportation system. The National Highway System will provide the foundation--the very cornerstone on which to build the remainder of our U.S. transportation infrastructure. The quicker NHS is approved, the sooner we can begin to build the rest of the system.

PROPOSED POLICY RESOLUTION**NATIONAL HIGHWAY SYSTEM (NHS)**

WHEREAS, a modern, well maintained, efficient and interconnected transportation system is vital to the economic growth, the health and the global competitiveness of our state and the entire nation; and

WHEREAS, the highway network is the backbone of a transportation system for the movement of people, goods and intermodal connections; and

WHEREAS, it is critical to effectively address highway transportation needs through appropriate transportation plans and program investments; and

WHEREAS, the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) established the concept of a 155,000 mile National Highway System which includes the Interstate System; and

WHEREAS, on December 9, 1994, the United States Department of Transportation transmitted to Congress a 159,000 mile Proposed National Highway System which identified 104 port facilities, 143 airports, 191 rail-truck terminals, 321 Amtrak stations and 319 transit terminals; and

WHEREAS, ISTEA requires that the NHS and Interstate Maintenance funds not be released to the states if the system is not approved by September 30, 1995; and

WHEREAS, the uncertainty associated with the future of the National Highway System precludes the possibility of the state to effectively undertake the necessary, properly developed planning and programming activities;

NOW THEREFORE BE IT RESOLVED, by the State of Montana, that the process for developing and approving the National Highway System should be accelerated and that the Congress of the United States of America should pass legislation which approves and designates the National Highway System no later than September 30, 1995.

Co-ops argue HB396 is fair

Montana's rural electric cooperatives dispute claims made by opponents of House Bill 396, the legislation aimed at reducing ratepayers' subsidies for expenses incurred during the movement of some oversized structures along Montana's roadways.

HB 396 was introduced this legislative session at the request of electric cooperatives. The cooperatives are seeking changes in the current law which now holds all electric utility consumers — not just cooperative consumers — in the state re-

sponsible for half of the costs associated with oversized structure moves. Existing law requires that a utility and the owner of a structure being moved each pay 50 percent of the involved costs which include: lifting electric wires, moving poles, cutting wires, etc.

According to Larry Tade, manager of Valley Electric Cooperative in Glasgow, all costs associated with providing electricity in a cooperative service area are borne by the members of the cooperative.

Continued on page 8

8-GLASGOW COURIER, THURSDAY, MARCH 9, 1995

Co-ops

"Valley Electric and all electric cooperatives in the state are member-owned, not for-profit companies," states Tade. "our sole source of revenue comes from the sale of electricity to our members/owners. Unusual and out-of-the-ordinary costs such as those caused by the movement of high structures and homes have to be passed on to our consumers, since we are a non-profit venture," Tade noted.

Tade went on to note that cooperatives believe the responsibility for costs associated with moving a house or other structure should be in the hands of the owner of the home.

HB 396 has come under attack from a property developer who has purchased an entire community north of Glasgow. In a published report in the Glasgow Courier on March 1, Mr. Pat Kelly stated that "they (the electric cooperatives) intend to sacrifice us over here" (at St. Marie).

Cooperative leaders say that characterization of their legislative work is distorted.

"This is not an attempt to drive Mr. Kelly or the residents of St. Marie out of business," says Jay Downen, general manager of the Montana Electric Cooperatives' Association (MECA) headquartered in Great Falls.

"This is a multi-million dollar enterprise that is looking for subsidies from our cooperative members," says Downen. "Every time a large structure moves, Mr. Kelly is asking each of our consumers to kick in a dollar or two to increase his profits. Fergus Electric alone is already going to subsidize Mr. Kelly to the tune of seven dollars. The same is probably true for Northern Electric Cooperative, Valley Electric Cooperative and

others," says Downen.

Downen continues, "Why should electric cooperative consumers around the state foot the bill for someone else's commercial gain?"

Also in defense of HB 396 is Fergus Electric Cooperative General Manager Steve Balster.

"HB 396 is a compromise effort with the housemovers industry in Montana," says Balster. "Representatives from electric cooperatives met with approximately 20 housemovers back in January and ironed out this compromise legislation. At that meeting, the housemovers saw our point of view that it isn't fair to make cooperative consumers pay for costs associated with a large number of high structure moves," Balster recalls.

The compromise legislation states that an owner of six or more structures exceeding 25 feet in moving height to be moved from a single site — either by the owner, subsequent buyers, or house movers, or owners of prefabricated structures built with the intention of moving — shall pay the necessary and reasonable costs . . . to facilitate the move.

Balster went on to comment, "electric cooperatives do not object to the movement of homes, grain bins and other structures on an occasional basis and have been willing to absorb such costs. However, the existing requirement of cost sharing was not intended to include multiple moves done for the purpose of commercial gain," states Balster.

The costs associated with a high structure move can be substantial. In November, 1994, one of the homes from St. Marie was moved to the

Great Falls area. The house had a loaded height of 28 feet and the cost to Fergus Electric Cooperative for facilitating the move was \$7,834. The amount Fergus Electric was allowed to charge back for the move was \$3,604.

This meant that the members/owners of Fergus Electric had to absorb \$4,230 in costs, or about \$1.30 per member so the owner could profit.

"This type of expense is costly, even for a one-time move," notes Balster. "But if you were to multiply it by 30 or 40 structure moves, which is what we understand could happen with the St. Marie development, the costs would be extraordinary," Balster says.

Cooperative officials say costs associated with lost revenue from the sale of electricity can not be recouped when the power is shut down during a structure move through an electric service territory.

During the same house move in November which affected Fergus Electric, McCone Electric Cooperative of Circle shut off power to 478 meters in the town of Jordan for one hour to accommodate the move.

"We're cooperatives by name and by action," says Ron Ostberg, president of MECA. "We've asked our members how much of these costs they're willing to absorb and they say they're stretched thin as it is. They don't mind an occasional power outage when these big houses move and don't even complain about having to absorb a little extra in their bill, but they don't like being taken advantage of either," notes Ostberg.

MARCH 21, 1995

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

MY NAME IS STEVE BALSTER AND I AM THE GENERAL MANAGER OF FERGUS ELECTRIC COOPERATIVE IN LEWISTOWN. I AM ALSO A CONSUMER/MEMBER OF FERGUS ELECTRIC. FERGUS ELECTRIC COOPERATIVE SERVES ELECTRIC POWER TO 3100 RURAL MEMBERS THROUGHOUT THIRTEEN COUNTIES IN THE CENTRAL MONTANA AREA. ON BEHALF OF OUR MEMBERS AND OTHER ELECTRIC COOPERATIVES IN THE STATE, I WOULD LIKE TO TESTIFY IN SUPPORT OF HB 396.

RECENTLY LAST NOVEMBER, FERGUS ELECTRIC WAS INVOLVED WITH A HOUSE MOVE FROM ST. MARIE, MONTANA, ACROSS 190 MILES OF OUR SERVICE AREA TO GREAT FALLS. THIS HOUSE HAD A LOADED HEIGHT OF 28 FEET. AS A RESULT OF THIS ONE MOVE, TOTAL COSTS INCURRED AMOUNTED TO \$7834. WE WERE ALLOWED BY CURRENT LAW AND PUBLIC SERVICE RULES TO BILL THE OWNER A TOTAL OF \$3604. THIS LEFT \$4230 THAT OUR MEMBERS HAD TO ABSORB. AND, BOTH OUR COSTS AND THEIR COSTS WOULD HAVE BEEN MUCH HIGHER WERE IT NOT FOR A RESOURCEFUL EMPLOYEE THAT DEvised A MEANS TO MORE EFFICIENTLY RAISE THE LINES. AS IT WAS, TO ACCOMPLISH THE MOVE WE EXPENDED 159 MAN-HOURS, OF WHICH 37 HOURS WERE OVERTIME. IN OTHER WORDS, IT TIED UP TWO THREE-MAN CREWS, TWO BUCKET TRUCKS, TWO SERVICE TRUCKS AND ONE DIGGER TRUCK FOR ALMOST TWO AND ONE-HALF DAYS TO MOVE THIS HOUSE.

BECAUSE OF OUR LARGE GEOGRAPHICAL AREA, IT IS OFTEN DIFFICULT TO ACCOMPLISH OUR NORMAL CONSTRUCTION AND MAINTENANCE SCHEDULES ALONG WITH OUR REQUIRED WORKPLAN COMMITMENTS TO THE RURAL UTILITIES SERVICE (FORMERLY THE REA). WE PRIDE OURSELVES IN PROVIDING THE BEST POSSIBLE SERVICE AT THE LEAST POSSIBLE COST, AND WE MUST DO EVERYTHING WE CAN TO PREVENT WASTED TIME, EXTRA EXPENSE AND EXCESSIVE RATES. SINCE OUR ELECTRIC COOPERATIVE AND OTHERS LIKE IT ARE NON-PROFIT, IT IS OUR MEMBERS WHO MUST BEAR THE BURDEN OF SOARING COSTS. WE ALL KNOW THAT MONTANA'S FARMERS AND RANCHERS ALREADY FACE UNCERTAIN FINANCIAL CLIMATES AND THEY CERTAINLY DO NOT NEED ADDITIONAL RATE INCREASES.

FERGUS ELECTRIC WAS NOT THE ONLY COOPERATIVE THAT WAS INVOLVED WITH THAT MOVE DURING NOVEMBER. DUANE GACKLE, THE MANAGER OF MCCONE ELECTRIC IN CIRCLE, INFORMED ME THAT THE MOVE COST THEIR COOPERATIVE \$1662.50. IN ADDITION, THE TOWN OF JORDAN, WHICH CONTAINS 478 METERS, HAD TO BE SHUT OFF FOR A PERIOD OF ONE HOUR. VALLEY ELECTRIC, WHICH HAD ONLY A FEW LINES TO MOVE, HAD TO ABSORB \$284.60.

WE FEEL THAT HB 396, AS WRITTEN, IS MORE THAN EQUITABLE AND IS A VERY WORKABLE COMPROMISE. IN OUR CASE, WE ARE WILLING TO ABSORB UP TO \$20-25000 OF EXPENSE UNTIL THE SIXTH HOUSE CRITERIA IS MET. IT IS IMPORTANT TO UNDERSTAND THAT WE ARE NOT AGAINST MOVING HIGH STRUCTURES AS SUCH; HOWEVER, WE DO FEEL THAT IF A LARGE NUMBER OF OVERSIZED-SIZED STRUCTURES ARE MOVED PRIMARILY FOR COMMERCIAL OR FINANCIAL GAIN, OUR RATE-PAYERS SHOULD NOT HAVE TO SUFFER THE COSTS INCURRED TO MOVE THOSE STRUCTURES.

IN ADDITION TO MY STATEMENT, I WOULD LIKE TO READ A LETTER FROM ONE OF FERGUS' CONSUMERS, A MR. RON COOMBS, VICE PRESIDENT AND CO-OWNER OF CASINO CREEK CONCRETE, NORTH OF LEWISTOWN.

P.O. Box 3501
Casino Creek Road
Lewistown, Mt 59457
Phone 406-538-7160
or 406-538-8984

After Hours:
Ron 538-3027
Mary 538-8859



Marvin Mathison, Ron Combs
Owners

SENATE HIGHWAYS

EXHIBIT NO. 6

DATE 3/21/95

• Ready Mix Concrete
BILL NO. Sand & Gravel HB 396
All Types & Grades
• Septic Tanks
• Pre-Cast Products
• Feed Bunks

Mr. Steve Balster, Gen Mngr.
Fergus Electric
HC 85 Box 4040
Lewistown, Montana
59457

March 9, 1995


Re: House bill 396

Dear Mr. Balster:

I support HB 396 placing the burden of cost for multiple moves, (manpower and equipment necessary to raise power lines) on the housemover. The utility should not be expected to bear these extra costs as ultimately it will be charged to the end user.

The cost of physically raising the lines and monitoring the move is only part of the total cost picture. Additional costs of service interruption to the consumer should also be considered. In our case on November 3rd, service was interrupted for approximately 5 hours. We could not chance operating our gravel crushing and wash plants during a period when our service could be cutoff without notice. This loss in terms of production downtime is considerable.

Sincerely,
Casino Creek Concrete Inc.


Ronald A. Combs V. P.

"AN ACT CLARIFYING WHO IS RESPONSIBLE FOR EXPENSES INCURRED
DURING THE MOVEMENT OF HOUSES OR STRUCTURES IN MONTANA"

3/21/95

BILL NO. HB 396

1. Existing law requires that a utility and the owner of a structure being moved each pay half the chargeable costs involved in facilitating a move, i.e., lifting of electric wires, moving poles, cutting wires.
2. HB 396 represents a compromise between electric utilities and the house movers industry in Montana.
3. Compromise states that:
 - * The owner of structures being moved will pay all costs if:
 - a) More than five structures are being moved from the same site. All electric utilities will still split costs for the first five structures moved from the same site.
 - b) The structures are more than 25 feet in height while being moved.
4. Example of costs facing not-for-profit, member-owned rural electric cooperatives:

A house with a loaded height of 28 feet recently was moved through the service territory of Fergus Electric Cooperative, Lewistown. The cost to Fergus for facilitating the move was \$7,834. The amount Fergus Electric was allowed to charge the mover under present law was \$3,604.

This meant that Fergus Electric Cooperative and its members had to absorb \$4,230 in costs for the move. This does not include loss of revenue to the cooperative that occurred when the power was shut off during the move or the inconvenience to consumers, irrigators and others whose power was shut off to accommodate the move.
5. Electric cooperatives do not object to the movement of homes, grain bins and other structures.
 - * In fact, Montana's electric cooperatives have been willing to absorb such costs on an occasional basis.
 - * However, currently there are plans by developers in the state to move for commercial profit 30 or more exceptionally high structures from a single site.
 - * Existing requirement of cost sharing between utilities and homeowners was not intended to include multiple moves done for the primary purpose of commercial gain.
6. Ability to minimize costs by having all moves done at once is precluded by safety regulations of the Department of Transportation - caravan moves of structures are prohibited.

7. This is not a bill directed at one individual. It is in response to plans by developers in Montana, to move multiple homes through cooperative service areas at a substantial cost to our cooperative members. This bill benefits our members, not the cooperatives.
8. Montana historically has been generous in regards to the movement of high structures. The majority, if not all, of the other states require the owners of a high structure being moved, to pay ALL costs associated with the move.

**MONTANA INDEPENDENT TELECOMMUNICATIONS
SYSTEMS, INC.**

SENATE HIGHWAYS
EXHIBIT NO. 8
DATE 3/21/95
BILL NO. HB 396

519 N. Sanders
P. O. Box 5237
Helena, Montana 59604-5237

Telephone: (406) 443-1940
Facsimile: (406) 443-2880

Michael C. Strand
Executive Vice-President
and General Counsel

March 17, 1995

Senate Highways and Transportation Committee
Capitol Station
Helena, MT 59620

Re: House Bill 396 - High Structures Moving

Mr. Chairman and Members of the Committee:

I understand that this bill will come before the Committee for a hearing on March 21, 1995. Due to previously scheduled commitments, I am unable to attend that hearing. However, I would like for the Committee to know what the position of Montana Independent Telecommunications Systems, Inc. is with regard to this bill.

Montana Independent Telecommunications Systems, Inc. is an organization formed to represent the interests of its five member telecommunications systems. These telecommunications systems serve rural Montanans across the state. I am the Executive Vice-President and General Counsel of this organization.

Montana Independent Telecommunications Systems, Inc. strongly supports House Bill 396. Our member systems have only recently begun to experience the kinds of problems that the electric cooperatives have been experiencing for some time with regard to high structure moves. Prior to our acquisition last year of a number of telephone exchanges from U S WEST, our telephone facilities were almost exclusively buried and therefore not subject to being moved due to high structure moves. Unfortunately, much of the acquired property from U S WEST has overhead cable in areas where it is not feasible to simply go and bury that facility. Therefore, we must, of necessity, be prepared to move this cable when high structures move through these areas.

Our first significant experience in this regard occurred earlier this year in the Wolf Point area. The system operating in that area, Valley Telecommunications, Inc., was forced to move poles and cable to allow the passage of a single high structure.

The cost of moving these facilities was \$3,045.00. Due to the current rules of the Public Service Commission allowing for recovery from the House Movers of some of the costs of moving the facility, Valley Communications, Inc. was able to recover less than \$185.00 of this \$3,045.00 cost. The remainder of those costs naturally had to be recovered from those rural Montanans who receive service from Valley Telecommunications, Inc.

Since Valley Telecommunications, Inc. only serves 6,739 customers, I think you can see how the costs of these moves can quickly become significant, especially to the more economically challenged customers in these areas. Moreover, these structures are often moving from areas outside of these customer service areas to places that are also outside their service areas. Therefore, these ratepayers are being asked to pick up the costs of moving structures through their areas when they have no contact or connections whatsoever with the owner of the structure being moved. We feel that it is unfair that these ratepayers are forced to subsidize those who chose to move structures through their areas, especially to such a disproportionate extent.

House Bill 396 does not constitute an absolute shield to our customers against these costs. However, it represents a step in the right direction in protecting them from the more substantial moving activities. Again, our organization strongly supports House Bill 396 and on behalf of our members and their customers, we urge you to support this bill as well.

Sincerely,

by 

MCS:tss

Michael C. Strand
Executive Vice-President
and General Counsel

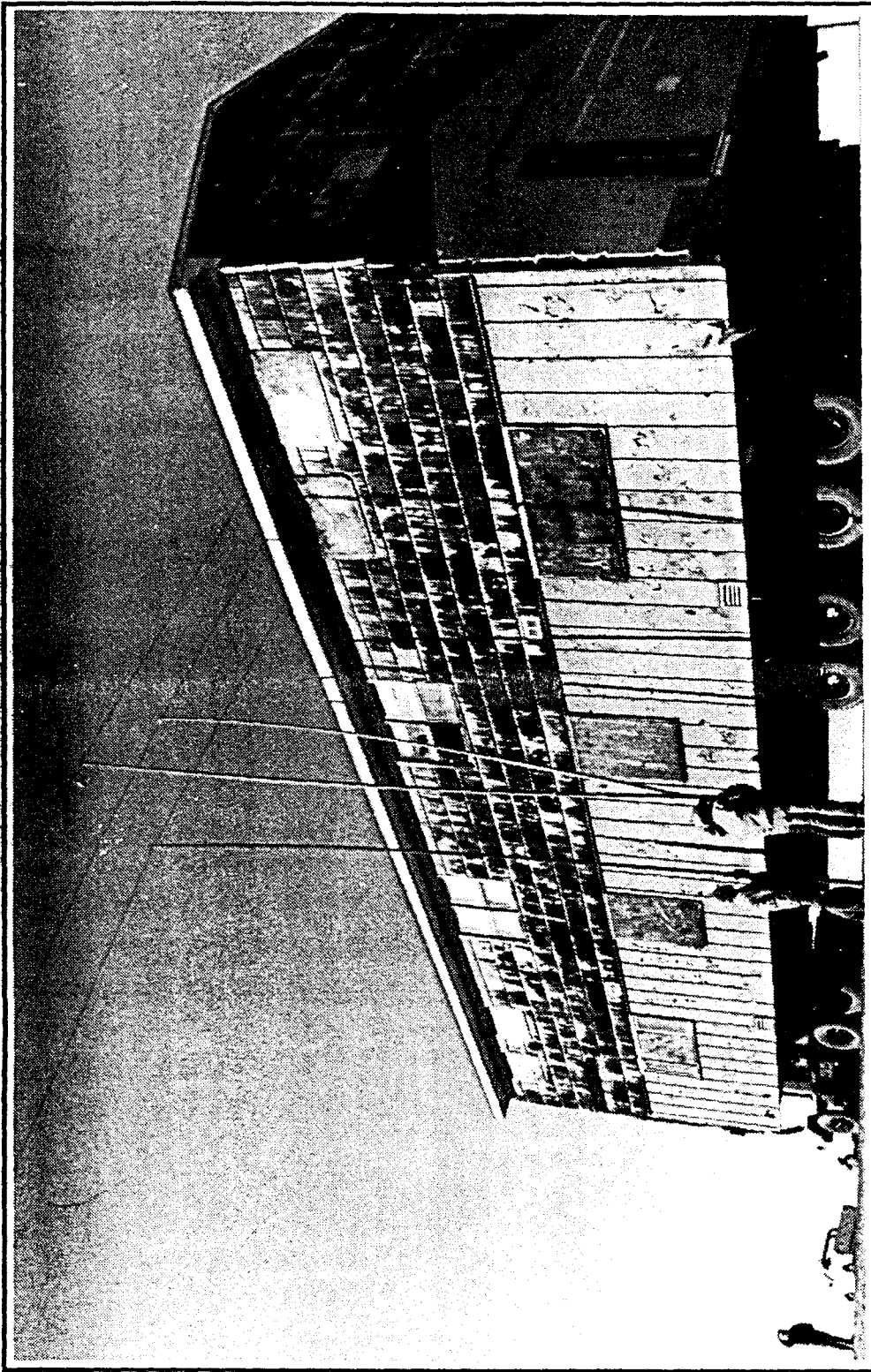
SENATE HIGHWAYS

EXHIBIT NO. 9

DATE 3/21/95

BILL NO. HB 396

Photo by Scott Ross



ST. MARIE

ECONOMIC IMPACT

all figures used are from the Dept of Commerce.

	①	②	TOTAL Potential ③	2500 new residents in rural area, assets
# homes sold to retirees	200	600	1200	
ASSETS TO STATE \$225,000 each	\$ 45 mil	\$ 135 mil	\$ 270 mil	
YEARLY INCOME \$25,000 each	\$ 5 mil	\$ 15 mil	\$ 30 mil	Spent in Montana
Jobs created X 1.5	300	900	1800	Total Jobs

SENATE HIGHWAYS

EXHIBIT NO. 10

DATE 3/21/95

BILL NO. HB 396

NOTE: 1 new retiree has similar impact of 3.7 industrial jobs

Fiscal Note: If St. Marie fails the state could lose column # in state income & property values

Q & A

FREQUENTLY ASKED QUESTIONS ABOUT THE RETIREMENT DEVELOPMENT INDUSTRY

Q *Won't retirees be a burden on the taxpayer?*

A Households headed by persons 55-64 years old have the greatest net worth of all U.S. households. The 55+ market has an average net worth of at least \$225,000. Migrating retirees have the highest net worth of all retirees.

Q *Will we have to build retirement villages to attract retirees?*

A On average, over 90 percent of retirees relocate into homes in established neighborhoods. Retirees tend to pay cash for their retirement home and deposit the balance of funds into local banks.

Q *Will in-migrating retirees be a burden on present medical facilities?*

A Retirees who relocate are more healthy and affluent than those who do not migrate. Private insurance, Medicare, and cash have been the most popular means of health care financing.

Q *How does the retirement development industry compare with the recruitment of traditional industry and factories?*

A Older in-migrants have higher, recession-proof incomes, not vulnerable to down cycles in the economy. Retirement income leads to job growth in the same way that industrial payrolls generate jobs. It is estimated that the economic benefits of one retiree household is equal to 3.7 factory jobs.

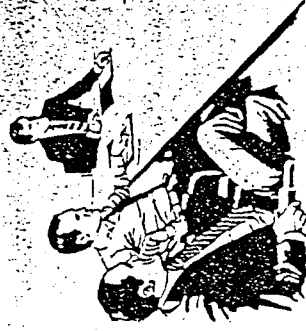
THE ECONOMIC IMPACT OF THE 50+ MARKET

- Retirees bring with them an average of \$225,000 in total assets when relocating to your community.
- Have a median family income of more than \$25,000 a year.
- Own 80 percent of all money in U.S. Savings and Loan Institutions.
- Create the equivalent of a \$10 million industry when as few as 50 new retirees locate in your community.
- Purchase 43 percent of all new domestic cars and 48 percent of all luxury cars sold in the U.S.
- Spend approximately 90 percent of their income locally for goods and services in your community.
- Volunteer their time and talents in your community and contribute more to charitable and civic needs than the balance of population combined.



GETTING STARTED WITH YOUR RETIREMENT DEVELOPMENT PROGRAM

1. Set up a Retirement Development Committee (RDC) to direct the work of your local program. Through your RDC, local professionals and volunteers work together creating strategies to target, reach and inform mature adults about your community.



2. Obtain a local sponsor agency or organization which "houses" your retirement development program. The sponsor agency may be the Mayor's Office, County Commission, Chamber of Commerce, an existing economic development committee, etc.

3. Ask your City Council (or County Commission if your program will be county wide) to pass a resolution supporting your local retirement development program. The resolution signals the support of local elected officials.

4. Conduct a "quality of life" assessment of your community. The assessment will identify amenities and "selling points" within your community.

5. Develop an effective "response package" to market your community to retirees. Your material must target the 50+ market and it should be a "call to action."

6. Be prepared. Handle inquiries about your community in a prompt and professional manner. Remember, you never have a second chance to make a first impression.

SENATE HIGHWAYS

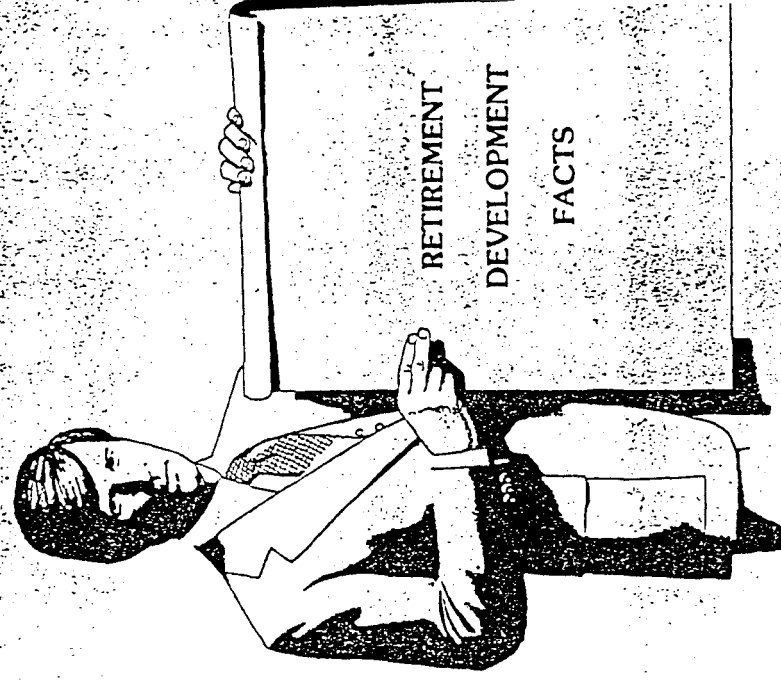
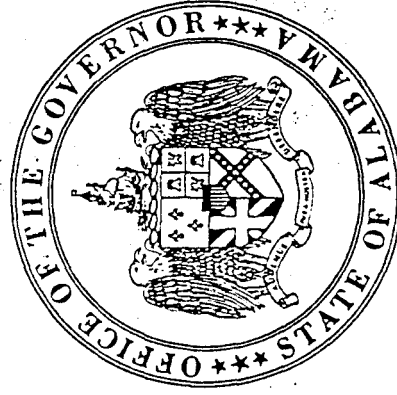
EXHIBIT
DATE
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10 A
9/2/92
HB
396

ADECA'S ROLE IN THE ALABAMA ADVANTAGE FOR RETIREES PROGRAM

The Alabama Department of Economic and Community Affairs (ADECA) was designated by Governor Guy Hunt as the state coordinating agency for the Alabama Advantage For Retirees Program. Some of the services available from ADECA to communities that have an interest in establishing a retirement development program include:

- Telephone and on-site technical assistance to communities in getting started with their local retirement development program.
- Promotional material for The Alabama Advantage For Retirees program.
- Instructional "how to" material including the handbook "Developing A Retiree Attraction Program In Your Community."
- Matching grants (up to \$2,000) to help develop a brochure for distribution to attract retirees to your community.
- National exposure of your community as a retirement destination location through the state's official retirement publication guidebook.
- The generation of retirement inquiry leads for your community through national advertising and distribution of The Alabama Advantage For Retirees guidebook.



For more information contact:

The Alabama Advantage for Retirees
A Program Of
The Alabama Department of Economic
and Community Affairs
P.O. Box 5690
Montgomery, Alabama 36130-5690
(205) 284-8690 or 1-800-42-5440

The Alabama Advantage for Retirees
A Program Of
The Alabama Department of Economic
and Community Affairs

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB437, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

"An act imposing a tax on certain transfers of real property; providing for the distribution of the proceeds to counties and to incorporated areas to fund land use planning, zoning, and subdivision review functions of local governments and to the Department of Commerce for the promotion of the State as a place to retire; amending sections 15-7-301, 15-7-302, 15-7-303, 15-7-305, 15-7-306, 15-7-307, and 15-7-310, MCA; repealing Section 15-7-311, MCA; and providing an effective date."

ASSUMPTIONS:

1. Assume that, based on 1988 figures from the State Revenue Department, the value of residential and commercial property sold and recorded was \$1.5 billion (this figure excludes agriculture land and timber land). The Commerce Department would receive at least \$412,500 annually (27.5% of proceeds) to operate a retirement promotion program. This figure could be higher using updated values and including agricultural and timber lands.
2. The retirement promotion program would be similar to the Alabama model; requiring direct coordination between the Commerce Department and local development organizations.
3. Staff would train communities on attracting retirees; develop response packets; conduct advertising; handle toll-free calls; track inquiries; and coordinate with local development organizations.
4. Local assistance funds would be distributed to approximately 50 participating local development organizations for: cooperative advertising; development of promotional materials; postage and telephone expenses.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
Personal Services (2.5 FTE)	0	75,000	75,000	0	75,000	75,000
Operating Expenses	0	100,000	100,000	0	100,000	100,000
Local Assistance	0	237,500	237,500	0	237,500	237,500
TOTALS	0	412,500	412,500	0	412,500	412,500
<u>Revenues:</u>						
27.5% of Real Property Transfer Tax	0	412,500	412,500	0	412,500	412,500

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

DON BIANCHI, PRIMARY SPONSOR DATE
Fiscal Note for SB437, as introduced

SENATE HIGHWAYS
EXHIBIT NO. 10 B
DATE 3/21/95
BILL NO. HB 396

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

	FY '94			FY '95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<u>Revenues:</u>						
County General Funds (20%)	0	300,000	300,000	0	300,000	300,000
County/City/Town Land Use						
Planning Funds (52.5%)	0	787,500	787,500	0	787,500	787,500
Total Revenues	0	1,087,500	1,087,500	0	1,087,500	1,087,500
There could be adverse impact to counties, cities and towns from population growth in areas with inadequate infrastructure.						

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

If 1% of available retirees are attracted to relocate, an additional \$1.6 billion in wealth could be generated.
(Recognized economists estimate that 500,000 retirees relocate annually, with average cash assets of \$325,000.) New residents would increase tax base and retail spending. Adverse impacts include increased cost of housing, additional demand for public service, and some strain of community facilities.

Committee Chairman

Sheill Anderson

House Standing Committee on Highways

RE: House Bill no. 396

(This was written today, February 10, 1995, as I was unaware of the committee meeting. I found out about the meeting when in Helena on other business.)

1. In 1985 the housing at Glasgow AFB was sold by the government at public auction. The top three bidders were to salvage the base and move all 1223 homes off. A new state law was in effect requiring that the people buying the homes to be moved must pay 50% of the cost of raising utility lines.

2. In 1986 I purchased 100% of the property to try and keep the homes in place and make a Military Retirement Community. Many people (most people) said, "Who would retire in Glasgow". I was ridiculed by nearly everyone, including the local community of Glasgow, because no one could visualize people moving from California and other states to retire in Northeastern Montana.

3. I won't go into detail but I did not want to develop the Glasgow AFB for money, recognition or any such reason. I have an overwhelming desire to be an artist. Yes an artist, I have studied art at many top schools and under many top artists. I said I would give two years of my life to do this development, because of commitments to people who had invested in the original company, because I thought it would benefit my

state and especially Eastern Montana which I think is the best place in the world to live, and also because the lower ranking military retirees needed a retirement community such as I had envisioned. Nine years later and after a heart attack and the death of my wife (both I feel as a result of the pressures of fighting to do what we considered right) I still want to be an artist, but I am committed to completing what I started and I have more responsibility because I am committed to the over 200 people who have purchased homes at St. Marie and have invested in Montana.

4. We have proven that the concept is sound and people want what we have at St. Marie. We have not been able to get a loan to develop and put in amenities. We do not have a way for the people purchasing the homes to finance their purchase. We have lost money as a company, but the economic impact has been tremendous on the local economy and the state. Using figures from the Department of Commerce we have created over 200 jobs from the 130 plus families currently spending their retirement in the local community. The 200 homes that were sold will have the affect of over 300 jobs created. 1200 homes sold to retirees could have the affect of creating over 1800 jobs for Glasgow and Northeastern Montana.

If I and Judy had not made our commitment there would be no tax base at St. Marie for the state. Currently we approximately have a 12 million dollar tax base, with a potential of 60 to 100 million dollar tax base. The great thing about selling to retirees is that they do not burden the schools and they help support the local hospital and business community. Unlike the retirees moving into the Kalispell and other populated areas there is no negative affect on roads or facilities - only positive growth for the state and area.

The utilities have benefited with electric, telephone and gas hook ups and are getting sizable income from residents who would not even be in Montana if it were not for St. Marie. They have a potential for an additional 1000 "new" customers.

5. Since my heart attack in October 1991 and my wife's heart attack and death in 1992, I have been trying to either sell the property, obtain a loan or obtain end financing for those purchasing homes. My health and personal situation kept me out of commission for a period of time and sales suffered. In November of 1993 I knew I needed to sell a few units to create a cash flow.

(Note: It is imperative that we keep as many homes as possible at St. Marie. The amenities and things that support a retirement community needs numbers to support. The water system is very expensive and must have every customer possible to support it. The water is brought 25 miles from below Fort Peck Dam. The whole community, the jobs created, and the tax base depends on having enough people at St. Marie to support the water system. I do not want to move any homes off!)

When I knew I had to move some units I tried to sell them locally and there was limited demand. I found that there was a critical demand throughout Montana for additional housing. There seemed to be no housing available, especially for the low to moderate income people. In Billings and Great Falls where the need was the largest I had people who were very interested, but when they figured the costs to refurbish and move the units it was not an easy sell. I did however find Wayne Dean in Great Falls, Sam Picard in Billings and a local individual from Glasgow who was trying to move some homes to Laurel.

In their checking out the cost of raising utilities they received good cooperation except in Fergus County who was demanding extreme charges, many times that of the other utilities. (Fergus County said it would take 6 days to get through their area and when they finally complied it only took one day.)

Being short of cash and the future of St. Marie on the line I became very concerned and asked the PSC to assist. Fergus County basically told the PSC to not interfere and that they knew how to interpret the regulation. After much delay the PSC did get Fergus County to understand, that the law did apply to them as well as the other utilities.

The delay really hurt me. If we could have moved a few units early in the year we possibly would not have had to move any more. The delay also added costs to those who were trying to move homes and most backed away because of the difficulties and uncertainties it caused. We are now in more financial need than we were last year basically because Fergus County felt that they were above the law and that the good of others was not there concern. (Why should they have complied?) (1) Because it was the law. (2) Because they agreed to the law that was passed. (3) Because many people have spent lots of money figuring that the law would be complied with. (Indirectly the 200 plus couples who have purchased homes at St. Marie.) (4) Because their is a bigger good than the few dollars they saved their customers. (5) Because if their customers knew that was the law there REA agreed to and helped make, they would be willing to say OK we benefited from the law over the years it is time now for us to pay back some of that savings - plus it is the law and it will hurt others if we do not comply.

This Bill should be tossed out of committee for many reasons. Here are a few and not in any well thought out order.

1. These homes should be left at St. Marie and as few as possible homes should be moved.

2. This is an important asset to the State and if not utilized at St. Marie they should be used to the best advantage where needed. They will add to the tax base and the quality of life of those using these homes where ever they are located. (The logical place for these homes to go would be into Canada, Regina (200,000 population) 230 miles away and hardly any lines. Also to Moosejaw and surrounding areas.)

3. St. Marie has built a large tax base from nothing. Has created many jobs and could create many more, it needs to be protected.

4. The utilities negotiated the current law and have benefited from it. We tell our children to be responsible for their decisions and when circumstances change it is still their decision. The utilities have saved a lot of money from the law they changed in 1983 - it was a good decision and a good law even though they may have to pay some of that savings back now. They are using a public access and they have benefited and will continue to benefit. The few dollars that some customers "may" have to pay is for the public access they are using and can be taken from the money they have saved in the past.

5. The current 50/50 split will ensure that the most economical way will be found to move these buildings. Each party has an interest in keeping the costs down.

6. Hopefully only a few homes will be needed to be moved, I have proven my commitment to that end. However, from the States point of few, if they are to be moved and continue to be an asset (and not be dismantled or sent to Canada) they need to be

moved by house movers in the most efficient manner to the locations they are needed and will do the most good.

7. This is the case of the big guys beating up on the little guy. It is discriminatory. I purchased these homes in good faith 9 years ago at which time they were all to be moved from Glasgow. I have built a tax base and created jobs. Either grandfather me or toss this bill out. I have worked hard for community and state on this project in good faith with that law in place.

8. It needs to be tossed from the committee if you feel the bill is not in the best interest of the state because if not I and Northeastern Montana are not strong enough to defeat it.

9. What the State needs is Positive Economic Growth, Jobs, People (the right kind of people who have high standards and have served their country well), tax income, quality housing for low and moderate income people of Montana, growth and assistance for Northeastern Montana, and to protect the law system and make people responsible for their decisions and not let might be right.

10. The house movers received no benefit from this bill! That in itself indicates they were pressured into going along with this bill. Might is not right!

11. The reason I am in love with Eastern Montana is the rural people who I was part of and grew up with. I cannot believe that the rural people of this state would renege on a negotiated agreement after benefiting for years on that agreement and then want to change the rules. I cannot believe that they would use a public right of way without feeling they had some obligation in letting all people use those roads in the same manner

EXHIBIT 11
DATE 3-21-95
HB 396

and not pick out one individual (this bill does that) because his structures are higher than others. I do not think that these people believe that Might is Right even when they could benefit from it.

12. There is no benefit to the state or its people in this bill. I think that the people of Montana would like to benefit from my efforts and St. Marie and I believe they would like Fergus County and the rest of the REA's to be responsible for their past negotiations and decisions. This bill needs to be stopped in committee.

Sincerely,

Patrick Kelly, President
Valley Park, Inc.

House Bill 396 - why should state not approve?

1. Not single out one individual - especially after he has saved 1200 homes from being moved. The top 3 bidders on the housing at Glasgow Air Force Base in 1984 were going to move all the homes off. The homes would have already been moved if the current owner had not tried to do something for Eastern Montana and establish a retirement community (St. Marie). The utility companies should have already shared the cost of raising lines for 1200 homes.

2. REA should be responsible for the law they sponsored. In 1983 the REA sponsored a bill where they wanted to pay 50% of the cost instead of the 100% that they were required to pay prior to that date. Now, when the developer who saved them from raising lines for 1200 homes is required to move some homes the REA says "not fair". The REA seems to say that they have the power, he is just one individual, to change the law again. If this is a fair change to the law then let it apply to everyone. Not only does this self serving law by the REA affect just one developer and one community it affects anyone buying a home from this one location. If this bill were to pass, a young rancher or any citizen of Montana could go to the town of Glasgow or any location in Montana and purchase a home to be moved and he would be required to pay 50% of the cost to raise the wires on the public roadway. If the same individual went to St. Marie and purchased a home to be moved he would have to pay 100% of the cost to raise the wires on the public roadway.

3. Size of structure is already determined. A prefabricated structure that is intended to be moved from the place of fabrication is included in the current law although if a person does not look closely at the proposed change they may think that it is part of the proposed HB 396. Yes, a person who is building a structure with the idea of moving it down the public roadway should be required to pay the full cost, that person has a choice of the size of the structure. Fergus Electric tried to convince the Public Service Commission that St. Marie houses fit that category and the PSC told them no, that these structures were built as permanent homes on location and that the public roadway would be open to the moving of such structures. We have no choice on the size of the structure.

4. Montana and especially Eastern Montana, needs the positive economic impact of St. Marie. The development of the former air base into a Retirement Community has

created over 200 jobs with the possibility of creating over 1500 jobs. The retirement income of approximately 5 million dollars is spent in the Glasgow and surrounding area creating these jobs. With the homes all sold to retirees the income for Montana would be approximately 40 million dollars. The taxable property value has increased 12 million dollars with over 80 million possible if the community can continue to grow. As many homes as possible need to remain at St. Marie to support the expensive water system that gets its water from the Missouri river over 25 miles away. Selling units to move is the only way to finance the development of the retirement community.

5. As few as possible will be moved under the current plan, but the state does need those homes throughout the state for low income people and others. These homes are a state asset and should be utilized where needed.

6. Why should a young couple, normally low income, who wants to purchase a home to be moved from St. Marie have to pay 100% of the cost of raising the lines when everyone else in the state is still paying only 50%?

7. Shared cost will produce the cost saving theory on both sides. Both will look at the most efficient way to accomplish the moves.

8. The military retirees who have purchased homes at St. Marie and moved to Montana should have their investments in Montana protected by Montana. Some of these retirees are thinking that first the State of Montana tried to tax the developer out of business now they want to change a law so he cannot sell his assets to pay his taxes or to continue his development. If people who purchase a home to be moved from St. Marie cannot utilize the public roadways like anyone else moving a home then the development of St. Marie will be stopped for lack of funding (Loans are not available).

9. The REA has other means to ensure that individual co-ops are not hurt, instead of shutting down one struggling community and restricting the use of public roadways and the distribution of a needed asset. They could have a fund of one or two dollars a year from each REA customer in the state that would more than cover the cost of raising lines, conform to the law (a law the REA sponsored in 1983 that cut their cost in half), and compensate the public for the use of the public right of way.

10. A part of the concept and idea of the St. Marie Retirement Community was to help the rural area of Montana by someone who cares for and is from rural Montana. That individual honestly believes that the vast majority of the REA customers would agree with the concept of this letter. If they had the facts I think they would say that it is a law the REA asked for and that they should honor the law. No individual should be singled out and restricted from using the public roadway even if it is for a commercial purpose. (Fergus Electric stated that it was not fair to raise lines for a corporation that makes a profit.) (We have not made a profit it date, we have done a lot of good, but no profit.) All people who move a house do it because they want to save money or make a profit. Why should someone who purchases a home to be moved from St. Marie be any different? Why should Fergus Electric be able to determine this and present a law such as HB 396? I firmly believe the REA customer would state that, the cost of utilizing the public right of way should have some cost and that no individual or community should be singled out to pay for the cost of the REA conforming to a law that they sponsored and benefit from. Most of the homes moved will go to REA users.

PUBLIC SERVICE COMMISSION
STATE OF MONTANA



Bob Anderson, Chairman
Bob Rowe, Vice Chairman
Dave Fisher
Nancy McCaffree
Danny Oberg

SENATE HIGHWAYS
BILL NO. 11A
DATE 3/21/95
BILL NO. HB 396
1701 Prospect Avenue
PO Box 202601
Helena, MT 59620-2601
Telephone: (406) 444-6199
FAX: (406) 444-7618
Compuserve: 70642,1607

July 14, 1994

J. David Penwell
Attorney at Law
125 West Mendenhall Street
Bozeman, MT 59771-1677

RE: Valley Park, Inc., and § 69-4-603, MCA, utility line moving

Dear Mr. Penwell:

In your representation of Valley Park, Inc., you wrote the Montana Public Service Commission a letter dated July 12, 1994. You requested a legal opinion on the application of § 69-4-603, MCA, to the movement of houses from Glasgow Air Force Base. Valley Park, Inc., intends to move a number of houses to various locations. Its president, Pat Kelly, and you understand from Mr. William Spoja, attorney for Fergus Electrical Co-op, that the electric cooperatives believe that § 69-4-603, MCA, does not apply to multiple moves of structures from the Base.

As you outline in your letter, an independent contractor built the wood frame houses for the Air Force on site on foundations. No part of the houses were pre-manufactured or pre-assembled. Neither the contractor nor the Air Force could foresee or intend the eventuality of moving these houses.

Under this scenario, § 69-4-603(2) and (3), MCA, dictate the amounts charged by rural electric cooperatives to move lines or poles, or raise or cut lines as necessary to facilitate the house moves. The electric cooperative and the house mover each pay half the expense of raising or cutting the wires or removing the poles, as determined by the Commission in Administrative Rules of Montana (ARM) 38.5.2403 and 38.5.2405.

These houses do not come under the exception in § 69-4-603(4), MCA, which states that owners of prefabricated structures built with the intention of moving shall pay all the costs of raising or cutting wires or cables or moving poles to facilitate the movement. The rural electric cooperative "may not exceed the charges established by the public service commission for utilities subject to its jurisdiction" under § 69-4-603(3), MCA. The procedure to give notice is established in § 69-4-602, MCA, which dictates requirements for both the owners of the wires or poles and the person, firm, or corporation moving the structure.

In our telephone conversation, I informed you that I had previously discussed the issue with Mr. Spoja on June 17, 1994. Mr. Spoja was concerned that the cost of moving

J. David Penwell
July 14, 1994
Page 2

utility lines to accommodate so many house moves would cost the co-ops one-half million dollars when done, and would cost Fergus Electric \$100,000, in his estimation. He believed that the legislature had not contemplated this kind of move when passing the legislation. First, he read the statute and said that the co-ops were "stuck." Then he "analogized" the houses at the Base to prefabricated houses and concluded that the legislation was not intended to cover a large commercial venture.

I told Mr. Spoja that the statute was plain on its face and obligated the cooperatives to pay one-half the average costs as determined by the Commission every two years in ARM 38.5.2405. I informed him that the statute covered commercial ventures and anticipated house-moving. Rather than litigate the matter, I suggested to Mr. Spoja that the parties meet and work out a solution within the law. Mr. Spoja agreed that this approach would be reasonable.

This letter represents a legal opinion from a staff attorney and not a declaratory ruling of the Commission. The Commission does not have jurisdiction over rural electric cooperatives. However, under subpoena I would have to testify that Title 69, Chapter 4, Part 6 applies the same standards alike to cooperatives and public utilities in what they may charge for line-moving upon movement of structures. The houses at Glasgow Air Force Base do not come under the prefabrication exception.

Incidentally, the original intention of the legislation was to put some burden on the house mover. Before that time, the utility had to cover all the cost. The members of the cooperatives will not be unduly harmed. For the privilege of having and using facilities on the public right of way, the cooperatives and the utilities should pay part of the price to accommodate house moves.

By a copy of this letter to Mr. Spoja I am notifying the parties that it would be a good idea to meet and try to minimize the costs to all interested persons. It is possible that the cooperatives may over-estimate the costs of the move. It is possible that by working together Valley Park, Inc., could minimize its costs, along with those of the cooperatives, by developing a moving schedule to require less line/pole interference.

Sincerely,



Denise Peterson
Staff Attorney

DP/dlp

cc: Bob Anderson, Chairman
Danny Oberg, Commissioner
William Spoja

PUBLIC SERVICE COMMISSION
STATE OF MONTANA



Bob Anderson, Chairman
Bob Rowe, Vice Chairman
Dave Fisher
Nancy McCaffree
Danny Oberg

SENATE HIGHWAYS
EXHIBIT NO. 11 B
DATE 3/21/95
BILL NO. HB 396

1701 Prospect Avenue
PO Box 202601
Helena, MT 59620-2601
Telephone: (406) 444-6199
FAX: (406) 444-7618
Compuserve: 70642,1607

August 5, 1994

William A. Spoja
Attorney at Law
P.O. Box 882
Lewistown, MT 59457

RE: Fergus Electric Cooperative, Inc., and utility line moving

Dear Mr. Spoja:

Thank you for your letter dated August 1, 1994 updating the house moving project at St. Marie's. As the attorney for Fergus Electric Cooperative, Inc., you indicate that Valley Park, Inc., house movers, and your client have likely reached an understanding that will allow the house moving to go forward. You stated, however, that if the house moving involved a lot more houses your position would change.

Title 69, Chapter 4, Part 6, Montana Code Annotated (MCA) provides unambiguous requirements for moving structures that involve interference with wires and poles of both public utilities and rural electric cooperatives. Section 69-4-601, MCA, requires any "person, firm, or corporation moving, hauling or transporting" a house or structure to give notice to the "owner or agent" of electric or telephone wires or poles if it is necessary to move, raise or otherwise interfere with these wires or poles. Section 69-4-602, MCA, requires a minimum of 10 days written notice of the proposed time and place of moving a structure. The owner or agent of the wires or poles is then required to give the mover a written estimate of the costs at least 3 days before the move, or within 10 days after receiving the notice, whichever is sooner. Also see, ARM 38.5.2406.

The duty of your client, an electric cooperative, is unequivocal. After receiving notice, the owner or operator of the poles or wires is required to furnish competent persons to remove poles or raise or cut wires as necessary to facilitate the structure movement. See, § 69-4-603(1), MCA. The costs allowed for the electric cooperatives to charge for this service are determined by the Public Service Commission. The

William A. Spoja
August 5, 1994
Page 2

necessary and reasonable expenses, as determined in a biennial review by the PSC, are shared equally with the mover of the structure. See, § 69-4-602, MCA; ARM 38.5.2402, 38.5.2403 and 38.5.2405.

As stated in the letter to Mr. Penwell, attorney for Valley Park, Inc., these houses do not come under the prefabricated housing exception in § 69-4-603(4), MCA. Therefore, the cooperative cannot charge the house mover the total necessary and reasonable costs. Please note, if this exception applied, the cooperative could not charge whatever it chooses, but rather only the full amount determined necessary and reasonable by the PSC.

The legislature was clear in its intention to impose half the expenses of wire/pole cutting and moving on the electric and telephone cooperatives in Title 69, Chapter 4, Part 6, MCA, and to have the PSC determine these costs. "Member-patrons" of the cooperatives are the same as a public utility's shareholders in absorbing any losses under these provisions. The legislature has determined that there is a duty associated with the privilege of owning or operating wires and poles on a utility right of way.

I am glad if I was able to assist you in resolving some concerns on the house moving project from St. Marie's and the cooperative's role in facilitating the movement. The duty of the cooperative and the allowable charges, whether for 1 house or 1,200 houses, are provided in the statutes and rules. Therefore, it was a good idea for parties to work out a mitigating strategy.

Sincerely,

Denise Peterson
Staff Attorney

DP/dlp

cc: Bob Anderson, Chairman
Danny Oberg, Commissioner
David Penwell

SENATE HIGHWAYS

EXHIBIT NO. 11 C
DATE 3/31/95
BILL NO. HB 396

July 27, 1994

Mr. Steve Balster
Fergus Electric Cooperative, Inc.
HC 85 Box 4040
Lewistown, MT 59457

Dear Steve:

You asked me to comment on the outlook of moving homes through your area. Wayne Dean of Great Falls will be moving his first building within the next month or so. I believe he will be going through Havre. If he moves more, I think he wants to move full 4-plex units and wants to convoy to keep the cost down. This I believe will be later this fall or early next year.

Sam Picard is working with me to move a duplex to Billings. If this happens, I would guess it would be no earlier than September.

A couple of local individuals have been trying to put together something to go to Laurel, but to date they do not have financing.

We have had some interest from people in Lewistown, but nothing so far.

I have been working with different house movers on ideas on how to cut costs and have sent for literature for additional ideas.

Some ideas already presented have been to cut rafters to allow the roof to lean to one side, to use lower profile dollies, and to raise some lines permanently.

I was in Helena last week and started the dialog on what is required to change or get an exception to convoying buildings. I called today and they are going to look at permits.

Personally I have fought not to move any buildings off of St. Marie. Now that I am required to sell some to be moved I want to move as few as possible. If we work together we can keep down the number of homes I need to move. Working together we can keep the cost and inconvenience down for the utilities and the movers.

St. Marie was established to help rural Montana not hurt it. I see what we are doing here as very positive.

Although I do not want to move units and you don't want me to, the positive is that they will be used for low income housing at their new location. The lower income person will benefit and they will be using utilities at their new location.

The requirement that the mover pays half the cost of raising lines is good in that the mover looks for ways to save you time and cost. Although I will not be involved in most moves I will coordinate ways to move these buildings more efficiently. My staff and I will work diligently to keep your cost and inconvenience to a minimum.

Sincerely,

Patrick Kelly
President
Valley Park, Inc.

BALSTER.



Condominium Association

P.O. Box 104
St. Marie, MT 59231
(406) 524-3335

March 20, 1995

SENATE HIGHWAYS
DIT NO. 11 D
3/21/95
BILL NO. HB 396

Larry J. Tveit, Senate Chairman
Montana Highways and Transportation Committee
Members of Legislative Assembly
Capitol Station
Helena, MT 59626

Daryl Toews, Senate Chairman
Education and Cultural Resources
Capitol Station
Helena, MT 59262

RE: House Bill 396

Dear Senators:

On behalf of the St. Marie Condominium Association, I wish to state our opposition to HB 396 because it jeopardizes the continued growth of the St. Marie Retirement Community.

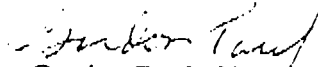
St. Marie is the only new community being created in the State of Montana. At the present time 208 homes have been sold. This represents income from approximately 400 people, most of which are new residents in Montana.

Due to the unavailability of mortgage funds, the developer has from time to time the need to move buildings to other areas to obtain cash for continued development.

Here are some facts which show that a retirement community is a most desirable form of economic development. At the present the Retirees' gross income at St. Marie represents about \$5,000,000.00 per year. Through this money Valley County and the State of Montana derive substantial revenue. Also, there is no burden placed by the residents of St. Marie on any government department, such as welfare, ect. A North Carolina Study determined that expenditures by retiree households generate a ratio of 1.5 local jobs per retiree household moving into the area. A Summer and Hirshel study concluded that approximately \$4,000.00 of Social Security payments is sufficient to create one job in the local economy - in contrast to \$91,743.00 in manufacturing payroll or \$64,516.00 in agricultural sales to produce one job. They postulated that the reason for this sharp difference is that older people spend more of their income in the local economy and less of their income is taxed because of various tax breaks. (Summer and Hirshel, 1985)

The State spends thousands of dollars to entice economic development - we are doing it.
Please don't thwart our efforts to bring several hundred more retirees to our area.

Yours Truly,



Gordon Paul, Chairman
Board of Directors

St. Marie Condominium Association

PS. Isn't it time to think about putting electric lines underground?



Two Rivers Growth

A coalition for the further development of Glasgow and Valley County

Box 542, Glasgow, Montana 59230

Jim Hanson, President
Box 542
Glasgow, MT 59230

March 16, 1995

Larry J. Ivelt, Senate Chairman
Montana Highways and Transportation Committee
Members of Legislative Assembly
Capitol Station
Helena, MT 59626

Daryl Toews, Senate Chairman
Education and Cultural Resources
Capitol Station
Helena, MT 59626

SENATE HIGHWAYS

EXHIBIT NO. 11 E

DATE 3/21/95

BILL NO. HB 396

RE: House Bill 396. Subject - Moving oversized structures along Montana's roadways, with responsibility for expenses incurred in clearing overhead utilities.

FROM: Two River Growth, Inc. Valley Counties development segment of the five County Great Northern Economic Development District.

POSITION: By Board action taken, this is to recommend to the Senate Highways and Transportation Committee a, Do not Pass for HB 396, as presently written.

Permits of Recognition:

- The language of the bill targets the movement of housing from former military installations. This presently targets Valley Park, Inc. St. Marie Military Retirement Community. Through the movement of housing to other Montana locations of high quality, lower cost housing as a means to balance the economic development of the retirement community, Valley County, and the state of Montana.

- The military target language would include all future military deactivation such as Malmstrom as well. Valley County has had an important role in the defence program, and have had to adjust as conditions of change. World War II with final training B-17 Base, Opheim Radar Station, closing in 1979. The huge USAF SAC Base was deactivated in 1968 with an outmigration of some 8,000 people in a few months. The redevelopment process has had a considerable good influence not only to Valley County but a large area.



Two Rivers Growth

A coalition for the further development of Glasgow and Valley County

Box 542, Glasgow, Montana 59230

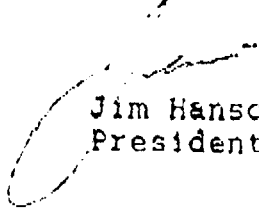
Further military deactivation was the supply and maintenance depot for the ABM system of the County. Lost through the Salt II agreements with Russia, which had been established at former GAFB.

- Full recognition is given to the utility companies, public and non-profit, of the expense which they incur to assist in the movement of all items mentioned in HB 396.

CONCLUSION: The problem has been brought to the Legislative Assembly. In the name and purpose of economic development surely there is a source of funding to supplement such and expense.

Valley County has had a considerable influence in the continued use of power from Fort Peck hydro generation for the Rural electric supply. May we collectively be able to stop the sale of such hydro systems to the private sector.

Sincerely,



Jim Hanson
President



GLASGOW



Home of the
Montana Governor's
Cup Walleye
Tournament

Glasgow Chamber of Commerce & Agriculture

Highway 2 East - Box 832 - Glasgow, Montana 59230

PHONE: (406) 228-2222

SENATE HIGHWAYS
EXHIBIT NO. 11 F
DATE 3/21/95
BILL NO. HB 396

The Glasgow Chamber of Commerce and Agriculture supports the St Marie Community and its substantial economic impact in Valley County. The Chamber stands against anything that would hinder any continuing development of the St Marie Community.

February 10, 1995

Montana House of Representatives
Highways and Transportation Standing Committee
Capitol Station
Helena, MT 59620

re: House Bill 396; written testimony.

Dear Legislators:

Background: As a professional planner, I have worked in the arena of developing the former Glasgow Air Force Base and in developing affordable housing projects for low income property owners. I have spent approximately 15 years in this endeavor. I have seen the circumscribed success of the developer in converting the air base into a retirement community. I have worked with and served on a number of community development organizations and housing authorities. I have also had the opportunity to utilize housing structures from St. Marie, Montana, once relocated, for use in our small towns and cities in Northeastern Montana. These housing units are sold on a periodic basis and have helped resolve the budgetary restraints of our low income families needing "affordable" housing. Relocating and rehabilitating duplex and four-plex units is an economical method of securing additional housing for our rural communities versus the inflationary aspects of overpriced new construction. At no time have I been aware of the budgetary problems now being painted by rural co-op electrics for wire charges.

Reasons for opposition to HB 396:

1. Even with the present splitting of costs for wire charges, the co-op electrics are receiving a fair payment. Current wire charges by rural electric co-ops for moving a duplex from St. Marie, Montana to Poplar, Montana (85 miles) is approximately \$14,000. of which 1/2 of the cost is paid by a building owner directly to the co-op. Most co-ops spend one day with a crew for this particular trip. The move is dependant on route and house movers are very cognizant in selecting a route which has minimum wire crossings.
2. This bill is focused on the former Glasgow Air Force Base for all intent. One co-op apparently had a problem with a house mover in the Lewistown area, thereby creating legislation. One developer may have caused an upturned eyebrow from a rural electric co-op manager by saying "We intend on bringing 50 residences thru", reality says this will never happen!

3. House movers will simply pass the additional cost on to the structure's owner and may even endorse this bill. Those movers located in the Northeastern Montana region could have a sharp reduction in business as a result of this bill. I don't foresee the developer at the former Glasgow Air Base moving more than a few structures annually in order to help his cash flow. Re-Use of the former air base has been a struggle and the developer should be complimented and assisted instead of proposing virtual road blocks by passing this bill. Business and investment opportunities are what this state needs and I don't know of any public utility who doesn't need additional customer hookups.
4. This bill is arbitrary and capricious in all aspects of its content, and a fair share of the cost of moving wire is recommended at 1/2 the total bill. Future billing rates of co-op electrics should be reviewed by the Public Service Commission.

Respectfully submitted;



Carlo Porteen
P.O. Box 226
Glasgow, Montana, 59230
Phone: (406) 228-2202

TELEPHONE 406/228-4364
FAX 406/228-2011



VALLEY BANK

110 6th Street South
Glasgow, Montana 59230
February 23, 1995

SENATE HIGHWAYS

EXHIBIT NO. 11 H
DATE 3/21/95
BILL NO. HB 396

MEMBER
FEDERAL DEPOSIT INSURANCE CORP.

Senator Larry Tveit
Montana Senate
Capitol Station
Helena, MT 59620

Re: House Bill 396

Dear Senator Tveit:

I am writing to request that you oppose House Bill 396. HB 396 is a bill designed to increase the cost of moving houses by passing on the cost of moving the utility wires.

The present law provides that the owner of the house being moved and the utility company each pay one-half of the cost of moving the utility wires. HB 396 is a bad piece of legislation because it is directed primarily at a special situation. It was requested by the Fergus County REA's in response to a controversy arising out of moving some residential units from the former Glasgow Air Force Base in Valley County. Subsection 4(b) of the bill virtually directs this legislation to that circumstance. Whenever we get into a situation of adopting special legislation, not only is it bad policy and illegal, but it creates bad law.

The second reason this legislation should be opposed is for pure fairness. The present circumstances are quite fair. The utility company that owns the lines and poles provides the manpower to move them and then they split the cost with the mover or the owner of the property being moved. The previous law required that the utility companies paid all of the costs. Prior to clarifying the situation house movers were knocking down poles and wires or attempting to move the wires themselves. In order to protect the utility's capital investment it was decided to make the cost a 50-50 split which seems to work quite well. It is fair to the house movers and the owners of the property being moved and protects the utility company's investments.

The third reason I believe you should oppose this bill is that it is detrimental to the St. Marie project here in Valley County. The developer of St. Marie is having financial problems and it may be necessary for him to sell and move some of the structures off

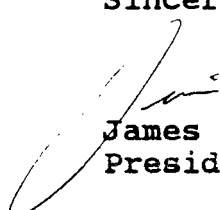
YOUR FRIENDLY BANK
"We Care"

the former Glasgow Air Force Base in order to maintain raise some cash. The St. Marie project has been very beneficial to the economy of all of Northeastern Montana, but particularly here in Valley County. The legislature should not be putting up additional road blocks to the project or taking any action that might be detrimental to its ultimate success. The project will be a great success not only for Northeastern Montana, but for Montana as a whole. St. Marie has established a tax base by bringing in new taxpayers to the state, which are also REA utility users.

The last reason that I would request that you oppose this bill is for a personal reason. As the Chief Executive Officer of two banks in the area, I can assure you that doing anything that would impede the marketability of the units is going to have a very chilling effect on the developer's ability to borrow funds. From a lender's perspective the collateral value of those units is greatly diminished if you increase the cost of moving them to the point where it is economically unfeasible. Therefore, it will have a very negative effect on the project and on the developer's ability to borrow as it reduces the value of the collateral.

Therefore, for the above-enumerated reasons I urge you to oppose House Bill 396.

Sincerely,



James Hanson
President

cc: Mr. Patrick Kelly ✓
Senator Chuck Swysgood
Senator Mack Cole
Senator Ric Holden
Senator Reiny Jabs
Senator Greg Jergeson
Senator Arnie Mohl
Senator Linda Nelson
Senator Barry Stang
Senator Daryl Toews

To our Legislators:

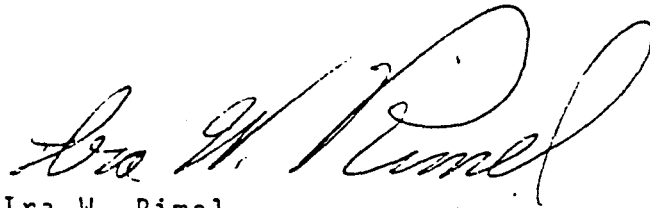
From: Ira W. (WES) RIMEL

Subject:

1. Montana's open meeting law needs to be enforced.
It is not being observed in Valley County. Does the legislature need to put teeth into this law?
2. Our tax appraisal system needs to be revamped.
It is sloppy and inaccurate and thus is often unequally and unfairly applied, result unequal taxes.

I formerly was an appraiser.

3. Utilities should be paying the public for being on public lands, especially highways. They should not be permitted to continue to present hazards to the public; all ought eventually to be required to be underground.
Rather than paying utilities for raising lines for moving structures; they should be required to raise lines permanently or go underground.



Ira W. Rimel
P. O. Box 162, 230-D Pine
St. Marie, Montana 59231

Phone: (406) 524-3318

Senator Daryl Toews
Montana State Senate
Capitol Building
Helena, Montana 59601

Thank you for attending the Legislative meeting last night and listening to those of us among your constituents who were there.

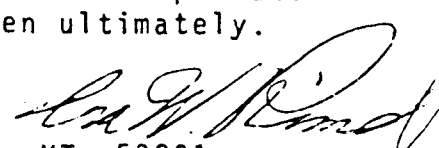
I am writing to you because the bill to grant the electric utilities 100% of the cost/expenses of raising lines across our highways has been on my mind: and there are a couple of points that I want to discuss:

1. The high cost of moving lines and/or placing them underground deserves some consideration. I had the pleasure of serving on a citizen's committee in Lynn County Oregon over a period of about three years. It was set up to give consumer viewpoints to Pacific Power. At that time (About five years ago.) a top executive in Pacific Power told us that within a very few years all of their residential lines, in fact all lines except high voltage lines, would be placed under the ground by Pacific Power. (High Voltage lines were exempt because of the fact they are already high and for some safety considerations, and consequent expenses.) The reason was that in spite of initial high capital outlay, the reduction in maintenance costs would more than make up the cost over only a few years.

Additionally, several telephone companies in Oregon were purchased by a large, Eastern conglomerate and combined. One of the first acts of the new owners was to lay all of their lines underground in a fiber optic system. I had contact with one of their contractors doing this work. The reason given was that it would pay because of the lower costs of maintenance of facilities.

2. If these utilities are given the green light to charge full cost of raising lines to the movers then only the Public Service Commission will have any influence at all on the control of these so-called expenses. I know that we have all been (historically) so glad to have the REA on the scene in these rural areas that we tend to favor them but this is one idea that carries our gladness too far. We may all end up being sad instead. It is, after all, the subsidies of we taxpayers that carry REA along on mostly free rights of way on both public and private land. We taxpayers will bear this burden ultimately.

Sincerely,


Ira W. (Wes) Rimel, POB 162, St. Marie, MT 59231



REALTOR

DAVIDSON REALTY

REAL ESTATE SERVICE

SENATE HIGHWAYS

INDEX NO. 11 K

DATE 3/21/95

BILL NO. HB 396

February 25, 1995

NOEL R. DAVIDSON
837 WEST NINTH STREET
HAVRE MONTANA 59501
PHONE (406) 265-2523

Highways and Transportation Committee
Montana Legislature
Helena, Montana 59620

Re: H.B. 396

The matter of assessing the full charge of wire costs is unfair..

The UTILITY companies pay nothing for the use of the Rights of Way. That an occasional measure of service be required of them does not justify imposing all of the expenses for such service onto others. The present one-half of the fair cost seems more reasonable.

Many areas in our state have a serious need for moderate priced housing. St. Marie has a current surplus.

If fairness is to prevail and all wire costs are demanded by the company, then surely the company should be paying for the public property it uses in the conduct of its business.

Fairness to the public is inferred by the title, PUBLIC UTILITY.

Housemoving is an occasional happening by an individual. Rent free use of the Right of Way is a constant benefit to the Utility.

It is my understanding that the Utility Companies had a strong hand in negotiating the shared expense written into the present law. They should continue to provide a measure of service in exchange for the constant benefits they themselves receive from the prevailing rules.

Please kill H.B. 396.

Respectfully,

Noel R. Davidson

P.O. Box 42
St. Marie, MT. 59231
Feb. 25, 1995

Honorable
Capitol Station
Helena, MT., 59620

SENATE HIGHWAYS

EXHIBIT NO. 11 L

DATE 3/21/95

BILL NO. HB 396

Dear Senator

Re: House Bill 396

I regard to the above bill I'd like all Senators to realize the impact on the one "new community" that is being born in Montana.

St. Marie currently has 210 deeds recorded with a potential for at least 700 or 800 more. Our current population is about 220 which will swell to about 275 when snow birds return. About 1/3 of the property owners have not moved here yet, as they need to retire or sell their present home before making a permanent move.

All of these owners pay property tax and an average of \$80.00 per month in land assessment fees. Most are new residents of Montana and bring their life savings with them. All this circulates locally and throughout the state of Montana.

Passage of this bill will cut off the main source of cash flow for future development by Valley Park, Inc. I'm sure you realize that property sales in this area are limited to about 5-6 months of the year but business costs of insurance, taxes, payroll, marketing, debt servicing, utilities etc. are year round.

St. Marie is predominantly for military retirees, although the community welcomes others who enjoy clean, friendly, relatively

crime free environment. I am enclosing a sheet of facts, provided to us by Montana Department of Commerce which expounds upon the benefits of retirees as the highest form of Economic Development.

I realize some Counties do not reap a large benefit from our presence but Montana tax hits pretty hard and this does benefit the entire state. Retirees do not burden your schools or take jobs away from state residents.

Please consider the facts I've presented when discussing and voting on this bill.

Thanking you, I am,

Sincerely yours,

Eleanor M. Lindsay, Homeowner with husband Byers
of Units 222 B and 220 C

S. May I offer an explanation regarding some of our buildings being moved to other sites. Housing on the former Glasgow A.F. B. (or any base) is not built for individual ownership. The government pays all costs and bills. Example: one water line serves a fourplex or duplex from the street. This saves money at the time of construction. Most of the buildings being removed are in the newest section which was under construction when the Federal Government issued the closure order. (The fixtures were never installed in downstairs bathrooms) This entire section has 1 water turn on which energizes the supply to the entire area. With present costs of operating our own Water and Sewer District it is doubtful this area can be developed in the near future. (The developer purchased a total of 1223 units here in 1984.)

BEFORE THE DEPARTMENT
OF PUBLIC SERVICE REGULATION
OF THE STATE OF MONTANA

SENATE HIGHWAYS

EXHIBIT NO. 12
DATE 3/21/95
BILL NO. HB 396

In the Matter of Amendment of)	NOTICE OF AMENDMENT OF RULE
Rule 38.5.2405 Regarding)	ON AVERAGE COSTS PER
Average Costs and Permissible)	UTILITY LINE OR POLE TO
Utility Charges to Accommodate))	ACCOMMODATE MOVEMENT OF
House and Structure Moves.)	STRUCTURES

TO: All Interested Persons

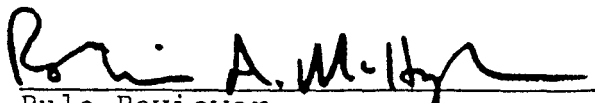
1. On February 27, 1992 the Department of Public Service Regulation published notice of the proposed amendment to rule 38.5.2405 at page 294, issue number 4 of the Montana Administrative Register.

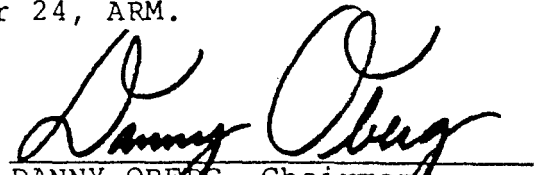
2. The Department has adopted the rule as proposed.

3. Comment: Only one comment was received, alleging that the requirement for house-movers to share in the expense of moving utility lines/power poles subsidizes big utilities at the expense of the "working class" house-movers. The commentator also alleged that "wire-raising" charges were determined illegal by the Supreme Court.

Response: In Yellowstone Valley Electric v. Ostermiller, 187 Mont. 8, 608 P.2d 491 (1980), the Montana Supreme Court affirmed a lower court holding that § 69-4-603, MCA, which requires utilities to raise or move electrical lines for large structure moves on public highways, was a valid exercise of police power. The Court stated that it would be burdensome to impose (all) the costs on the moving companies, as requested by the utilities, and that the utilities reasonably could spread the burdens of § 69-4-603, MCA, among their consumers. However, § 69-4-603, MCA, was amended in 1983 to require that "the necessary and reasonable expenses associated with movement of structures requiring wires, cables, or poles to be moved or raised pursuant to sections 69-4-601 through 69-4-604, MCA, be shared equally [by the owner of the structure and the owner(s) of the wires, cables or poles...]." Further, the legislature deemed it a public purpose that the owners desiring to move their structures pay 50% of these necessary and reasonable expenses of cutting and/or raising wires and cables or moving poles to accomplish the moves. The Legislature determined it an unreasonable burden to place all the costs on the utilities and their ratepayers. (Preamble: Ch. 442, L. 1983).

No case law since 1983 challenges the legislative fiat that the costs should be shared by the utilities and movers, equally. Therefore, the Commission has proceeded since 1983 to determine the average costs pursuant to § 69-4-603, MCA, and Title 38, chapter 5, subchapter 24, ARM.


Rule Reviewer


DANNY OBERG, Chairman

CERTIFIED TO THE SECRETARY OF STATE APRIL 20, 1992.

BEFORE THE DEPARTMENT
OF PUBLIC SERVICE REGULATION
OF THE STATE OF MONTANA

IN THE MATTER of Proposed)	NOTICE OF ADOPTION OF NEW
Adoption of New Rules for)	RULES FOR CHARGES RELATED
Charges Related to Utility)	TO UTILITY LINE MOVES
Line Moves Associated with)	ASSOCIATED WITH MOVEMENT OF
Movement of Structures)	STRUCTURES

TO: All Interested Persons

1. On February 29, 1984 the Department of Public Service Regulation published notice of proposed adoption of new rules for charges related to utility line moves associated with movement of structures at pages 360-362 of the 1984 Montana Administrative Register Issue Number 4.

2. The Commission has adopted the following rules as proposed:

Rule I. 38.5.1401 GENERAL PROHIBITION.

Rule IV. 38.5.1404 EXCEPTIONS TO NECESSARY AND REASONABLE EXPENSES.

3. The Commission had adopted the proposed rules with the following changes:

Rule II. 38.5.1402 PERMITTED CHARGES (1) A public utility may charge any person transporting or hauling the owner of a prefabricated structure, built with the intention of being transported or hauled, the necessary and reasonable costs of raising moving or cutting wires or moving poles to facilitate that the movement of that structure.

(2) A public utility may charge the owner of any other building or structure only one-half of the necessary and reasonable expense of moving poles and raising moving or cutting wires necessary to accomplish the transportation or hauling of any other such building or structure.

Rule III. 38.5.1403 DETERMINATION OF NECESSARY AND REASONABLE EXPENSES (1), (2) (a), (b), (3) No change.

(4) Average employee and equipment costs shall be determined for the tasks of

(a) raising moving wires,

(b) cutting wires, and

(c) moving poles.

(5) (a), (b) No change.

Rule V. 38.5.1405 AVERAGE COSTS (1) Average costs for time and materials expended are determined to be:

(a) \$50 \$40 for each telephone wire raised moved; except that the cost shall decrease \$7 for each successive wire moved on the same pole or support structure. (Example: The average cost of moving four wires located on the same support structure is \$118.),

(b) \$100 \$70 for each telephone wire cut. For purposes of this provision only, a telephone wire is deemed to consist of 25 pairs; for each increment of 25 pairs, or part thereof, contained within the same cable, the average cost shall increase by \$3.75. (Example: The average cost of cutting a 75 pair telephone cable is \$77.50.),

(c) \$50 \$40 for each electric wire raised moved; except that the cost shall decrease \$7 for each successive wire moved on the same pole or support structure,

(d) \$100 \$70 for each electric wire cut, and

(e) \$150 \$105 for each telephone or electric pole moved.

Rule VI. 38.5.1406 PREPAYMENT PREPARATION AND SERVICE OF ESTIMATE (1) No change.

(2) Estimated charges shall be paid to the utility in advance of any work performed by the utility to accomplish the transportation or hauling of a building or other structure. Upon notifying the affected utilities of the time and place of moving a structure, pursuant to 69-4-602, MCA, the entity moving the structure shall also provide the name and address of the owner of the structure. Estimates shall be promptly served upon both the mover and the owner of the structure.

(3) No change.

(4) Any over or under charges based on the original estimate shall be promptly paid to the utility or refunded to the owner of the building or structure.

Rule VII. 38.5.1407 BIENNIAL REVIEW (1) No change.

(2) Public utilities shall maintain records indicating the location and dates of all activities governed by this sub-chapter, and shall file a summary report of such information simultaneously with the average cost data in (1) above.

(3) Upon filing, the Commission shall publish a notice of proposed rulemaking in accordance with the Montana Administrative Procedure Act, to establish average costs set forth in ARM 38.5.1405.

4. Comments: No comments suggested changes to Rule I, and it is adopted as proposed.

Rule II. Comment: The Housemovers suggested that the rule clearly identify the owner as the party responsible to pay. Both utilities and housemovers suggested that line "raising" be changed to line "moving" to cover situations where lines are lowered.

Response: Both suggestions have been incorporated.

Rule III. Comment: Numerous comments were received from both housemovers and utilities to the effect that actual expenses should replace averages.

The Housemovers requested that (2)(b) be deleted for the reason that equipment costs are not specifically enumerated in 69-4-603, MCA. In addition, they requested the following changes: specifically define types of necessary employees; change wording of (3) so that wages of employees required by collective bargaining agreements, but not by state or federal safety regulations, would be excluded; delete (5) for lack of statutory authority to create such categories.

The utilities uniformly stated that labor costs should be fully loaded, so that costs of fringe benefits as well as general office overhead would be recovered.

Response: The Commission recognizes that, due to the very nature of averaging, some inequities will occur by applying average costs to specific moves. From this perspective, actual

costs would be more desirable. Section 69-4-603, MCA, specifically requires, however, that the Commission fix expenses "on the average cost per line or pole."

The Commission believes that "necessary and reasonable expenses" based on "time and materials expended" should logically include equipment costs. Necessary employees should, within reason, be determined by sound discretion of management, including collective bargaining agreements. Abuses may be brought to the attention of the Commission at the fixing of average costs during each biennial review. Finally, the Commission sees no reason why utility-type categories should not be created in (5). Indeed, this could provide some small measure of relief from the inequities of averaging complained of by nearly everyone. In fact, the difference in average costs for these two categories is de minimus based on this proceeding.

With respect to overhead costs, the Commission believes they should be excluded, at least in this initial proceeding. While it may be true that some overhead costs are incurred in connection with structure moves, the Commission sees no indication that general loading factors are applicable to that specific activity. Given this substantial lack of information, the Commission believes it would be ill-advised to include such costs during the initial period of this new cost sharing scheme.

Rule IV. Comments: The Housemovers generally supported this rule, but requested that statutory exemptions should not apply where clearance does not meet minimum national safety codes.

The utilities stated that this rule is unnecessary.

Response: The Commission believes this rule is necessary to clarify the effect of Montana's minimum clearance requirements in this specific area of cost sharing and determination of averages. The Commission will not go beyond statutory requirements, including statutory exemptions.

Rule V. Comments: The Housemovers stated that the average costs established were arbitrary and capricious, and submitted a study of actual costs of a few recent moves. The Housemovers also requested the following changes: clarification that "wire" is used interchangeably with "line," and may include several individual wires; capital costs should not be included in equipment costs; actual costs should be the basis of rates.

Several comments were received from both utilities and housemovers to the effect that inequities are created by having a single charge for moving wires, without recognizing economies due to clusters of wires.

Mountain Bell requested that a telephone "wire" be defined as 25 pairs, so that, for example, cutting a 75 pair cable would be charged at three times the cost of cutting a 25 pair cable. Similarly, the electric utilities requested that the charge be doubled for any wire exceeding .464 inch diameter.

Response: The initially proposed average costs were based on very sketchy information provided to the Commission prior to publication of the proposed rules. Even at this stage, the available data could be improved upon. Based on historical costs submitted by MPC and the Housemovers, the Commission

believes that the proposed rates were 30 percent too high; the final rates have been scaled back to that extent. The Commission has also determined that recognition should be given to economies involved in moving clusters of wires. To this end, a \$7 decrement has been established in (1)(a) and (c). To accommodate for lower charges on clusters, the charge has been raised from \$35 to \$40 on single wire moves. The Commission notes that actual costs of unregulated utility coop moves, provided by the Housemovers, also indicate that these final averages are within a lower range of reasonableness.

The Commission has established an incremental charge of \$3.75 for each additional 25 pairs in telephone cables. Providing a full charge for each 25 pair increment was found unjustified where the only information provided (by Mountain Bell) indicated the incremental cost to be \$3.71. No cost justification has been provided for differentiating between electric wire size. More specific categories may be justified in future filings.

The Commission agrees with utility comments that there is no reason to exclude capital costs from equipment costs; this is a reasonable and necessary expense to accomplish a move. The word "wire" is used consistent with statutory language; it is clear from the context of the rules, however, that this term is used interchangeably with "line" or cable." See, for example, (1)(b). Finally, the debate over actual versus average costs has been addressed under Rule III, above.

Rule VI. Comments: The utilities contended that prepayment is necessary since the party required to pay will not be the party in direct contact with the utility.

The Housemovers strongly opposed the prepayment provision, describing problems with owners getting mortgage money prior to the move, and contending that such a requirement is beyond the Commission's statutory authority.

Response: The Commission believes there may, indeed, be unforeseen problems lurking in a prepayment requirement. Moreover, the utilities' primary concern appears to be met with the notice provision included in the final rule in lieu of a prepayment requirement.

Rule VII. Comments: The Housemovers suggested a detailed record keeping requirement. The utilities objected to the detail in this proposal, but stated a willingness to provide essential record keeping. The utilities also requested that average costs be reviewed annually.

Response: The Commission has added (2), specifying what information must be kept.

The Commission believes that biennial review, as provided in 69-4-603(2), MCA, is adequate.

THOMAS J. SCHNEIDER, Chairman

CERTIFIED TO THE SECRETARY OF STATE AUGUST 6, 1984.

4

Valley Rural

House Move 2-28-95

Hourly rate plus
cost of all benefits

Material costs

Vehicle Capital
costs \$10,000 per
year depreciation
per vehicle to
include pickup

$$\begin{aligned} \$28.00 \times 4 \text{ per} \times 5 \text{ hours} &= \$560.00 \\ \$50 \text{ a mile} \times 100 \text{ miles} &= 50.00 \end{aligned}$$

$$\begin{aligned} \$5.00 \text{ an hour for 3 vehicles} &= 95.00 \\ \text{for 5 hours.} & \text{Actual cost} \end{aligned}$$

~~\$705.00~~

\$2489.40

TOTAL COST set by PSC

1/2 paid by City of Poplar

\$1244.70

Revised by Rural under
Valley 50/50 split

03/03/95 09:10

8768342

CITY OF POPLAR

SENATE HIGHWAYS

0002

EXHIBIT NO. 12BDATE 3/21/95BILL NO. HB 396

VALLEY ELECTRIC COOPERATIVE

MAR 03 1995

STRUCTURE MOVING COSTS

TO: NAME

City of Poplar

COMPANY

ADDRESS

208 3rd Ave West

Job Description

RAISE POWER LINES - ST. MARIE to Wolf Point

QUANTITY

TOTALS

22

Initial Wires Moved per Structure

@ \$48.00

\$ 1323.0024

2nd Wires Moved per Structure

@ \$40.40

969.604

3rd Wires Moved per Structure

@ \$31.80

127.203

4th Wires Moved per Structure

@ \$23.20

69.600

Wires Out

@ \$54.00

—0

Poles Moved

@ \$152.60

—

Total for Move

\$ 2489.40

Chargeable Total

\$ 1244.70

Signed

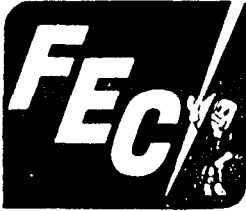
Larry W. Gorden

Company

VALLEY ELECTRIC

Date

2-28-95



FERGUS ELECTRIC COOPERATIVE INC.

HC 85 BOX 4040 • LEWISTOWN MT 59457-9402 • PHONE (406) 538-3465

February 25, 1994

Duane Meidinger and Sons
339 5th Ave. No.
Glasgow, MT 59230

Dear Duane:

Because the structure is very tall with a loaded height of 28 feet, Fergus Electric Cooperative is quite concerned about your house move. Many of Fergus Electric's power lines are only 18-20 feet high. This means the wires probably won't have enough slack to be raised. Therefore, wires may have to be disconnected from the poles and then be reconnected. Also, the width of the house will make it difficult for us to get our trucks around it.

I counted a total of 53 crossings that you will have under Fergus Electric lines. This does not include a stretch from Lewistown to four miles west of Geyser where the crossings will involve Montana Power Company. With two companies, a certain amount of coordination and waiting will take place.

The following information includes estimated costs. However, after the move is made, you will be billed for actual labor, mileage, and bucket time.

LABOR: Six days for two three-man crews @ \$164.00/hr...	\$ 7,872.00
MILEAGE: 500 miles @ \$.50/mi.....	\$ 250.00
TWO BUCKET TRUCKS: 48 hours @ \$100/hr.....	\$ 4,800.00
TOTAL ESTIMATED COST.....	\$12,922.00

One-half of the total cost, \$6,461.00, will be billed to Pat Kelly.

Sincerely,

Scott W. Sweeney

SCOTT W. SWEENEY
System Engineer

SWS:VMc

Copy to: Pat Kelly, 330 Walnut Court, St. Marie, MT 59231

TOOK 2 days & approximate
cost of \$3,688.⁰⁰ as apposed to
\$12,922.⁰⁰

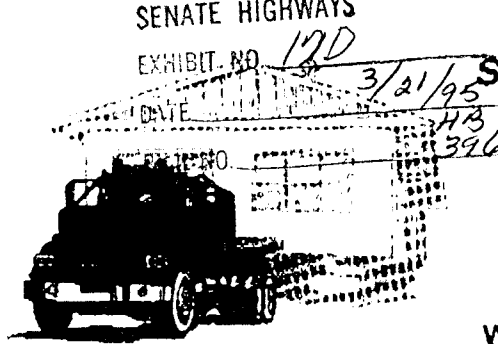
FERGUS received \$3,604.⁰⁰

They would continue to receive \$3604 even when they
became more efficient.

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O'NEIL COMPANY, INC.

CC MC 175752
NATIONWIDE AUTHORITY



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HEAVY HAULING
and
HOUSEMOVING**
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P.O. Box 1113
Williston, North Dakota 58801

Valley 33 crossings
Fergus 52 crossings

March 13, 1995

No cost to Fergus

FAX Memo to Pat Kelly
St. Marie, Montana
FAX #406-524-3332

RE: Wayne Dean move from St. Marie, Montana to Great Falls,
Mt. - the time it took to travel through Fergus Electric
area as requested by Pat Kelly.

Our foreman was told by a Fergus Electric representative that
McCone Electric and Fergus Electric wires overlapped, when in
reality they did NOT OVERLAP. Because we were told that we
would need the services of both companies, we scheduled the move
accordingly.

On the first day there was a total of two hours that Fergus Elec-
tric was represented by their men:

1st hour - 2 bucket trucks
2 pickups
2nd hour - 1 bucket truck
1 pickup

8 men 12 hours $\times \$28.00 = \2688.00
500 miles $\times .50 = 250.00$
5 vehicles $\times \$5.00 \times 12 \text{ hours} = 750.00$

Day 2 we made the trip to Hilger, Montana:

7½ hours - 2 bucket trucks
1 cross-arm truck
2 pickups

Figuring liberally
\$3,688.00
cost

Day 3: 1st 4½ hrs 2 bucket trucks
1 cross-arm truck
2 pickups

PSC allowed **7208.00**

last hour- just one bucket truck to finish up.

Fergus received from Wayne Dean
\$3604.00
received

If the information from Fergus Electric had been correct, the
charges for Day 1 could have been eliminated.

The hours given here do not include Fergus Electric travel time.
The hours given are for the time Fergus Electric was on location.

Pat, after retracing the steps of the 3 men on our crew, this is
as accurate as we can be at this time.

*If more efficient would get cost down below
50% cost Fergus similar to*

Cooperatives and House Movers Agree on Equitable Amendment

When a house is moved, who pays to lift the electric wires, move poles and switch off and on the power along the way? The answer is both the mover and the utility pay. In the case of electric cooperatives, that means their members pay.

Costs attributed to house moving haven't been a major problem for most cooperatives. However, if the structures moved are unusually high, a serious financial and manpower drain for the cooperative can result.

A recent plan by a developer to move many exceptionally high structures across much of eastern Montana raised a red flag of alarm to cooperatives that could be affected.

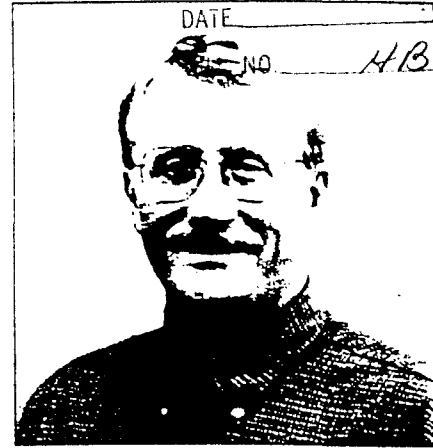
For example, a house with a loaded height of 28 feet was moved through the service territory of Fergus Electric Cooperative in Lewistown. The cost to Fergus Electric for facilitating the move was \$7,834. The amount Fergus Electric was allowed to charge the mover under present regulations was \$3,604. That meant Fergus Electric had to absorb \$4,230 in costs for the move. That does not include loss of revenue to the cooperative while power was turned off.

Fergus Electric and other cooperatives have been willing to absorb such costs on an occasional basis. But when word of a developer's plan to move as many as 50

exceptionally high structures across eastern Montana got out, some cooperatives realized that it could cost them hundreds of thousands of dollars.

Fergus Electric Manager Steve Balster and representatives of the Montana Electric Cooperatives' Association met with the Montana House Movers Association January 6 to discuss the situation. The result of that congenial and productive meeting is a legislative amendment that both parties hope will resolve the problem.

The amendment has been introduced by Representative Harriet Hayne (R-Dupuyer). It requires that an owner of six or more structures exceeding 25 feet in moving height to be moved from a single



Fergus Electric Manager Steve Balster.

site, either by the owner, a subsequent buyer or buyers, or house movers, or owners of prefabricated structures built with the intention of moving shall pay the necessary and reasonable costs of raising or cutting wires or cables or moving poles to facilitate the moving.

"We have no objection to house moving," said Balster "but when a large number of high structures are moved for commercial gain, we do not believe our members should have to pick up the tab. All we want is just compensation."



A Fergus Electric Co-op truck and crew lift power lines to allow an unusually tall structure to pass through.

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- BIG POWER-DRIVEN WHEELS & 4 speed transaxle.
- Power Reverse!
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"Highest Quality Emus Available"

Montana Power
1991 - filing info.

Exhibit B
Page 1 of 1
SENATE HIGHWAYS
EXHIBIT NO. 12 F
DATE 3/21/95
BILL NO. HB 396
1990 Percent
For Billing

**Company Fringe Benefits
(Based on 1989 Actual Costs)**

Group Life Insurance	0.76
Group Hospital Insurance	7.97
Group Long-Term Disability	0.40
Group Dental	0.76
Other Disability	0.05
Education and Recreation	0.77
Miscellaneous	1.62
Employee Assistance Program	0.24
Contributions to Union Pensions	0.05
Unfunded Pension Payments	0.88
Trust Fund Payments	8.54
Trust Fund Administrative Expenses	0.90
Payroll Savings Company Portion	2.88
Payroll Savings Administrative Expenses	0.36
Other Medical	0.31
State I.A.B. Workers' Compensation	0.68
Employee Relocation Interest Differential	0.03
Employee Discounts	0.89
Benefit Restoration Plan	1.03

Pay for Time Not Worked:

Vacation Benefits 7.26

~~Sick Leave Benefits~~ 2.71

Holiday Pay 4.47

Other Pay for Time Not Worked 0.65

Subtotal

15.09

Payroll Taxes for Time Not Worked:

Social Security \$1.12

Federal Unemployment 0.02

State Unemployment 0.09

Subtotal

1.23

Total Pay for Time Not Worked

16.32

Subtotal - Company Fringe Benefits

45.44

45.44

**Social Security and Unemployment
Taxes (Based on January 1990 Wages)**

**Maximum
Taxable**

Annualized

Social Security

\$51,300 7.65

7.43

State Unemployment

13,200 1.60

0.59

Federal Unemployment

7,000 0.80

0.16

10.05

8.18

8.18

Total

53.62



DAVIDSON REALTY

REAL ESTATE SERVICE

SENATE HIGHWAYS

EXHIBIT NO. 13

DATE 3/21

BILL NO. HB 396

February 25, 1995

NOEL R. DAVIDSON

837 WEST NINTH STREET

HAVRE, MONTANA 59501

PHONE (406) 265-2523

Highways and Transportation Committee
Montana Legislature
Helena, Montana 59620

Re: H.B. 396

Chairman, Senator Veit,

The matter of assessing the full charge of wire costs is unfair..

The Utility companies pay nothing for the use of the Rights of Way. That an occasional measure of service be required of them does not justify imposing all of the expenses for such service onto others. The present one-half of the fair cost seems more reasonable.

Many areas in our state have a serious need for moderate priced housing. St. Marie has a current surplus.

If fairness is to prevail and all wire costs are demanded by the company, then surely the company should be paying for the public property it uses in the conduct of its business.

Fairness to the public is inferred by the title, PUBLIC UTILITY.

Housemoving is an occasional happening by an individual. Rent free use of the Right of Way is a constant benefit to the Utility.

It is my understanding that the Utility Companies had a strong hand in negotiating the shared expense written into the present law. They should continue to provide a measure of service in exchange for the constant benefits they themselves receive from the prevailing rules.

Please kill H.B. 396.

Respectfully,

Noel R. Davidson

Noel R. Davidson

Amendments to House Bill No. 396
Third Reading Copy

Requested by Rep. Hayne

Prepared by Dave Bohyer
March 21, 1995

1. Page 2, line 7.

Strike: "structures"

Insert: "for the sixth and each subsequent structure"

Strike: "exceed"

Insert: "exceeds"

Following: "being moved"

Insert: ", that is moved for commercial gain,"

Strike: "are to be"

Insert: "is"

2. Page 2, lines 7 and 8.

Following: "be moved" on line 7

Strike: "in" on line 7 through "groups," on line 8

DATE 3-21-95

SENATE COMMITTEE ON HIGHWAYS

BILLS BEING HEARD TODAY: HB 396

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
VINCENT ORME	ST. MARIE	396		X
Martin Blanks	St. Marie	396		X
Elmer Maxey	ST. MARIE MT	396		X
BASIL FULLER	ST MARIE MT	396		X
Jim Elrod	ST, MARIE MT	396		X
Ernest Johnson	Chinook MT	396		X
Jim May Butler	MECA	396	X	
STEVE BALSTER	FERRIS ELECTRIC	396	X	
HOWARD G. ROBINSON	Nor. Elec. Co-op	396	X	
Ron Ostborg	MECA	396	X	
Jim Downen	MECA	396	X	
IRZ HALL	HALL HOUSE ^{Moving}	396	X	
Wayne K. Dean	RCD Devel.	396		X
Eric O'Connell	Abel Moving & Rigging	396	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 3/21/95
 SENATE COMMITTEE ON Highways & Transportation
 BILLS BEING HEARD TODAY: HB 396

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
Pat Kelly	Valley Park Inc	396		X
Ron Woods	PSC	396		
Denise Peterson	neutral - answering Q's	396		

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY