

# MINUTES

## MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

### COMMITTEE ON HIGHWAYS & TRANSPORTATION

**Call to Order:** By SENATOR BOB DEPRATU, serving as Chairman, on  
March 6, 1997, at 3:10 pm, in Room 410

#### ROLL CALL

**Members Present:**

Sen. Arnie A. Mohl, Chairman (R)  
Sen. Mack Cole, Vice Chairman (R)  
Sen. Larry Baer (R)  
Sen. Bob DePratu (R)  
Sen. John R. Hertel (R)  
Sen. Ric Holden (R)  
Sen. Reiny Jabs (R)  
Sen. Greg Jergeson (D)  
Sen. Linda J. Nelson (D)  
Sen. Barry "Spook" Stang (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Connie Erickson, Legislative Services Division  
Phoebe Kenny, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 320 and HB 385;  
Posted 2-22-97  
Executive Action: HB 385

#### HEARING ON HB 385

**Sponsor:** REPRESENTATIVE LINDA MCCULLOCH, HD 70, Missoula

**Proponents:** None

**Opponents:** None

#### Opening Statement by Sponsor:

REPRESENTATIVE LINDA MCCULLOCH, HD 70, Missoula, House Bill 385  
brings up to date some laws that were a little out of date. This

bill has two changes. On page 1, lines 19 and 20, the original law said that when you were passing a vehicle on the right that you just had to give an audible signal, and we are adding the use of a signal lamp. On page 2, lines 13 through 15, what we added here is that you may turn a vehicle left across the lane marked with two yellow lines into a public or private parking lot or roadway if the turn can be made safely and the turn does not hinder oncoming traffic. Those are the only changes and I will be here to answer questions.

Proponents' Testimony: None

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR RIC HOLDEN, on page 1, line 20 where you change the word from "shall" to "may". In what cases are do you think that the guy you are overtaking may want to increase the speed?

Connie Erickson, in the bill drafting manual "may" not is the same as "shall". We use "may" instead of "shall".

Closing by Sponsor:

REPRESENTATIVE MCCULLOCH, thank you, I hope you pass this bill.

# HEARING ON HB 320

Sponsor: REPRESENTATIVE SHIELL ANDERSON, HD 25 Livingston

Proponents:

Gary Wiens, Montana Electric Co-Ops  
Chris Booth, MT Rural Water  
Joan Mandeville, Montana Telephone Association  
Mike Strand, Montana Independent Telecommunications Systems  
Glen Wheeler, Montana Power Company  
Jim Paiadichak, M.D.U.  
Gary Gilmore, Montana Department of Transportation

Opponents: None

Opening Statement by Sponsor:

REPRESENTATIVE SHIELL ANDERSON, HD 25, Livingston, I have a bill here that is a product of a lot of discussion by a task force that was put together by the Legislative Audit Divisions performance audit report of the Department of Transportation and the relocating of utilities on our highway rights-of-way.  
(EXHIBIT 1).

**Proponents' Testimony:**

**Gary Wiens, Montana Electric Co-Ops,** we support this legislation because we believe that it represents a win win situation for both taxpayers and our cooperative member customers. It is a win for taxpayers because it insures costs for utility relocations will be streamlined. The effect of eliminating the reimbursement for engineering costs results in a significant net reduction in taxpayer costs for these reimbursements. The bill represents a win for our electric cooperative members because it ensures that they will not have to pick up the tab for the entire costs of relocating utilities each time a highway is built or expanded. As you might imagine, an increase in such costs can be particularly burdensome in rural Montana where a cooperative typically relies on less than two customers for every mile of line to pay the bills for delivering electricity. Despite the loss of reimbursement for engineering fees, our cooperatives believe they can avoid rate increases to our customers by improved efficiencies in engineering operations. Any additional reductions in the utility reimbursement policies of the State of Montana however would very well lead to rate increases to our customers, simply because our only share holders are our customers. In our view the sharing of public highway right-of-away makes sense both in terms of environmental protection and in terms of economic realities. Purchasing separate right-of-ways for cooperatives is an unnecessary cost that ultimately must be born by the same people who pay taxes. We urge the committees support. Thank you for the opportunity to testify.

**Chris Booth, MT Rural Water,** we represent 400 water and waste water systems throughout the state. This adds up to about 56% of the voting population in the Montana. This is a great bill for small communities and rural areas in Montana. To update a water and sewer system due to new regulations, costs too much for a water system to pay that, and pay for a percentage of the relocation. New highways go hand-in-hand with water and sewer to attract economic development by saving the cost of relocation they can aim their money towards the bettering of the actual water/sewer system. In conclusion, Montana Rural Water supports this bill and urges you to vote Do Pass.

**Joan Mandeville, Montana Telephone Association,** we participated in the Department of Transportation Task Force that initiated this bill. This was a positive experience with state government which you don't get to say every day. They worked through a lot of issues and a lot of streamlining with right of way issues and how they are reimbursed and how our costs are done, and submitted to the state. That was very good. We made a lot of things uniform across utilities we think that kind of streamlining will help all of us in the future. We think that the engineering cost disallowance is a reasonable outcome. We sympathize with their problems with tracking and attributing engineering to specific projects. It also helps the streamlining by not having to get all those engineers approved all the time. It is a reasonable balance

in compromise. We support the exemptions for some of the real small water municipalities that will help our rural areas. We encourage you to pass this bill, thank you very much.

**Mike Strand, MT Independent Telecommunications Systems**, our organization represents a number of telephone cooperatives and independent rural telephone companies here in Montana. I also served on this task force and felt it to be one of the most effective task forces upon which I have served. The Department of Transportation had a number of demands but they dealt with us in good faith throughout the process. We compromised in a number of areas, some that will cost my company and our customers money. I believe the system created by this bill is fair and more efficient than the previous system. It creates incentives for us to cut costs and it also reduces expenses to the department. For those reason I urge you to pass HB 320.

**Glen Wheeler, Montana Power Company**, I am here in support of HB 320. I had the privilege of serving on this task force. I represented the interests of Montana/Dakota Utilities, Pacific Power and Light, and Montana Power. I think that HB 320 represents a consensus of the task force parties that were there. We had a lot of deliberation on diverse issues. I think that the overall outcome represented a lot of good participation and cooperation. One of the major effects of the bill is elimination of engineering as a eligible reimbursement for highway relocations. This is a shift of those costs to the utilities. We think that overall this is an acceptable compromise. Overall we support HB 320. Thank you.

**Jim Paladichuk, Montana/Dakota Utilities**, I agree with everything that has been stated here. I would like to go on record as a proponent of HB 320.

**Gary Gilmore, MT Department of Transportation**, we were a big part of this task force. Our director put it together. I would just like to recap words that I have heard like, win, win, reasonable, compromise, and consensus. That tells me that everyone did not get everything they wanted. Everyone came out of this pretty happy and saw some improvement in the way we were doing business, and the ability to do better. We certainly request your support.

Opponents' Testimony: None

Questions From Committee Members and Responses:

**SENATOR GREG JERGESON**, I see you didn't sign the fiscal note. Did you have troubles with it?

**REPRESENTATIVE ANDERSON**, no, I don't have trouble with the fiscal note, I simply neglected to get it signed in time before it was published.

SENATOR JERGESON, how did you determine 500 hookups was the appropriate cut off point, for 100% reimbursement?

Bob Fisher, MT Department of Transportation, we picked a number that we thought would be fair. We thought that anything over 500 would probably have the ability to pay the 25% relocation cost.

SENATOR REINY JABS, this task force, was it developed mainly for this reason?

REPRESENTATIVE ANDERSON, yes.

SENATOR ARNIE MOHL, when we move the utilities, do we replace them in-kind or do we give them new structures?

Gary Gilmore, We pay for the value of the existing structure, to move it. Any improvement that the utility elects to do they pay for themselves.

Closing by Sponsor: REPRESENTATIVE ANDERSON, this came through the house very fast with almost 100% approval. I hope that you can pass it through. Thank you.

EXECUTIVE ACTION ON HB 385

Motion/Vote: SENATOR LINDA NELSON MOVED CONCURRENCE WITH HB 385. CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 3:30



SEN. BOB DEPRATU, Chairman



PHOEBE KENNY, Secretary

BD/PK