

House Bill 399

In The House

January 21, 1981	Introduced and referred to Committee on State Administration.
Januray 23, 1981	Fiscal note requested.
January 27, 1981	Fiscal note returned.
April 23, 1981	Died in Committee.

1                                    HOUSE BILL NO. 399  
 2 INTRODUCED BY *Julian Marchant*  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE THE  
 5 DEPARTMENT OF ECONOMIC DEVELOPMENT; TO ABOLISH THE  
 6 DEPARTMENT OF COMMUNITY AFFAIRS AND TRANSFER ITS FUNCTIONS  
 7 AMONG THE DEPARTMENT OF ECONOMIC DEVELOPMENT, LEGISLATIVE  
 8 AUDITOR, DEPARTMENT OF ADMINISTRATION, DEPARTMENT OF  
 9 JUSTICE, DEPARTMENT OF HIGHWAYS, DEPARTMENT OF SOCIAL AND  
 10 REHABILITATION SERVICES, AND SECRETARY OF STATE; AMENDING  
 11 SECTIONS 2-15-1101 THROUGH 2-15-1103, 2-15-1111, 7-1-4148,  
 12 AND 90-1-103 THROUGH 90-1-106, MCA; AND REPEALING SECTIONS  
 13 2-7-501 AND 67-2-201 THROUGH 67-2-205, MCA."

14  
 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16       Section 1. Section 2-15-1101, MCA, is amended to read:  
 17       "2-15-1101. Department of ~~community-affairs~~ economic  
 18 development -- head. There is a department of ~~community~~  
 19 ~~affairs~~ economic development. The department head is a  
 20 director of ~~community-affairs~~ economic development appointed  
 21 by the governor in accordance with 2-15-111."

22       NEW SECTION. Section 2. Audits       of       political  
 23 subdivisions. The legislative auditor shall conduct audits  
 24 of political subdivisions as set forth in this part.

25       Section 3. Section 2-15-1102, MCA, is amended to read:

1       "2-15-1102. Board of county printing -- composition --  
 2 allocation -- compensation. (1) There is a board of county  
 3 printing.

4       (2) The board consists of five members appointed by  
 5 the governor for terms of 2 years.

- 6       (3) The members are:  
 7       (a) two members of the printing industry;  
 8       (b) two county commissioners;  
 9       (c) one member of the general public.

10       (4) The board is allocated to the department of  
 11 business regulation for administrative purposes only as  
 12 prescribed in 2-15-121.

13       (5) The members of the board shall be compensated and  
 14 reimbursed as are members of advisory councils in 2-15-122."

15       Section 4. Section 2-15-1103, MCA, is amended to read:

16       "2-15-1103. Board of aeronautics -- qualification --  
 17 allocation -- quasi-judicial. (1) There is a board of  
 18 aeronautics.

19       (2) The board consists of seven members. The members  
 20 are:

- 21       (a) one member of the Montana pilots' association;  
 22       (b) one member of the Montana chamber of commerce;  
 23       (c) one member of the municipal leagues;  
 24       (d) one member of the county commissioners  
 25 association;

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1 (e) one person actively engaged in aviation education  
2 in this state;

3 (f) one person representative of interstate commercial  
4 airline operators, who must at the time of appointment be an  
5 employee or official of an interstate commercial airline  
6 operator and a resident of this state;

7 (g) one person who must at the time of appointment be  
8 an active base operator in this state, or an official of a  
9 base operator in this state, of flying services or flying  
10 schools.

11 (3) The board is allocated to the department of  
12 ~~highways~~ for administrative purposes only as prescribed in  
13 2-15-121.

14 (4) The board is designated as a quasi-judicial board  
15 for purposes of 2-15-124.\*

16 Section 5. Section 2-15-1111, MCA, is amended to read:

17 \*2-15-1111. Office of state coordinator of Indian  
18 affairs. (1) There is an office of state coordinator of  
19 Indian affairs. The office is allocated to the department of  
20 ~~community--affairs~~ labor and industry for administrative  
21 purposes only as prescribed in 2-15-121.

22 (2) The coordinator shall be appointed by the governor  
23 from a list of five qualified Indian applicants agreed upon  
24 by the tribal councils of the respective Indian tribes of  
25 the state and shall serve at the pleasure of the governor.\*

1 Section 6. Section 7-1-4148, MCA, is amended to read:

2 \*7-1-4148. Penalty. Where a municipality is required  
3 by state law to provide information to a state agency and  
4 fails to provide the required information, the department of  
5 ~~community-affairs~~ governor may issue an order stopping  
6 payment of any state financial aid to the municipality. Upon  
7 provision of the information, all financial aid which was  
8 stopped because of failure to provide the information shall  
9 be paid to the municipality.\*

10 ~~NEW SECTION.~~ Section 7. Definitions. In this part,  
11 \*department\* means the department of economic development,  
12 provided for in 2-15-1101.

13 Section 8. Section 90-1-103, MCA, is amended to read:

14 \*90-1-103. Functions of department of ~~community~~  
15 ~~affairs~~ -- community development. The department of  
16 ~~community-affairs~~ shall:

17 (1) cooperate with and provide technical assistance to  
18 county, municipal, state, and regional planning commissions,  
19 zoning commissions, parks or recreation boards, community  
20 development groups, community action agencies, and similar  
21 agencies created for the purposes of aiding and encouraging  
22 orderly, productive, and coordinated development of the  
23 communities of the state;

24 ~~(2)--assist-the-governor-in-coordinating-the-activities~~  
25 ~~of-state-agencies--which--have--an--impact--on--solution--of~~

1 ~~community---development---problems---and---implementation---of~~  
2 ~~community-plans†~~

3 ~~†3)---serve-as-a-clearinghouse---for---information,---data,~~  
4 ~~and---other---materials---which---may-be-helpful-or-necessary-to~~  
5 ~~local-governments-to-discharge---their---responsibilities---and~~  
6 ~~provide-information-on-available-federal-and-state-financial~~  
7 ~~and-technical-assistance†~~

8 ~~†4)†2) carry out continuing studies and analyses of~~  
9 ~~the economic problems faced by communities within the state~~  
10 ~~and develop those recommendations for administrative or~~  
11 ~~legislative action as appear necessary. In carrying out the~~  
12 ~~studies and analyses, the department shall pay particular~~  
13 ~~attention to the problems of metropolitan, suburban, and~~  
14 ~~other areas in which economic and population factors are~~  
15 ~~rapidly changing."~~

16 Section 9. Section 90-1-104, MCA, is amended to read:

17 "90-1-104. Functions of department ~~of--community~~  
18 ~~affaires -- promotion of tourism and~~ recreational  
19 ~~development. The department of--community-affaires shall:~~

20 (1) exercise state responsibility for that part of  
21 recreational planning and development which is directly  
22 related to private investment in recreational facilities;

23 (2) assemble and correlate information which may  
24 influence the development of recreational enterprises and  
25 disseminate it to persons, firms, or corporations interested

1 in constructing or maintaining recreational facilities open  
2 to the public; and

3 †3) develop programs to promote the tourist industry  
4 of Montana."

5 Section 10. Section 90-1-105, MCA, is amended to read:

6 "90-1-105. Functions of department ~~of--community~~  
7 ~~affaires -- economic development. The department of--community~~  
8 ~~affaires shall:~~

9 †1) develop programs to assist Montana businesses in  
10 complying with state and local tax and zoning requirements,  
11 securing financing for expansion, solving supply and  
12 transportation problems, and expanding their markets;

13 ~~†1)†2) provide coordinating services to aid state and~~  
14 ~~local groups in the promotion of new economic enterprises~~  
15 ~~and conduct publicity and promotional activities in~~  
16 ~~connection with new economic enterprises;~~

17 ~~†2)†3) collect and disseminate information regarding~~  
18 ~~the advantages of developing agricultural, recreational,~~  
19 ~~commercial, and industrial enterprises within this state;~~

20 ~~†3)†4) serve as the state's official liaison between~~  
21 ~~persons interested in locating new economic enterprises in~~  
22 ~~Montana and state and local groups seeking new enterprises;~~

23 ~~†4)†5) aid communities interested in obtaining new~~  
24 ~~business or expanding existing business;~~

25 ~~†5)†6) study and promote means of expanding markets~~

1 for Montana products;

2 ~~(6)(7)~~ encourage and coordinate public and private

3 agencies or bodies in publicizing the facilities and

4 attractions of the state."

5 Section 11. Section 90-1-106, MCA, is amended to read:

6 "90-1-106. Functions of the department of ~~community~~

7 ~~affairs -- housing. The department may:~~

8 ~~(1) -- survey and investigate housing needs throughout~~

9 ~~the state and publish the results and make recommendations~~

10 ~~to the governor and the legislature as to legislation and~~

11 ~~other measures necessary, desirable or advisable to~~

12 ~~alleviate housing problems;~~

13 ~~(2) -- maintain and disseminate information on available~~

14 ~~governmental housing assistance programs, eligibility and~~

15 ~~development requirements and other similar information; and~~

16 ~~(3)(1)~~ promote research and development in housing

17 planning design, production, conservation, rehabilitation,

18 and other matters relating to, or affecting the provision of

19 decent, safe, and sanitary housing in a suitable living

20 environment; and

21 ~~(2) develop programs to assist the housing industry in~~

22 ~~maintaining a steady level of construction."~~

23 **NEW SECTION.** Section 12. Department of community

24 affairs abolished -- functions transferred to legislative

25 auditor. (1) The department of community affairs created in

1 2-15-1101 is abolished.

2 (2) The functions of auditing the accounts and

3 financial transactions of political subdivisions in Title 2,

4 chapter 7, part 5, and in 7-4-2634, 7-5-2132, 7-5-4124,

5 7-6-207, 7-6-209, 7-6-210, 7-6-2114, 7-6-2203, 7-6-2216,

6 7-6-2302, 7-6-2311, 7-6-2314, 7-6-2315, 7-6-2322, 7-6-4111,

7 7-6-4113, 7-6-4205, 7-6-4221, 7-6-4225, 7-6-4233, 7-7-123,

8 17-6-103, 19-11-206, 19-11-303, 19-11-403, 20-1-212,

9 20-9-203, 20-9-344, 20-9-504, 85-7-1616, 85-7-1913,

10 85-7-2027, and 85-9-611 are transferred to the legislative

11 auditor.

12 (3) The code commissioner shall renumber and transfer

13 2-7-502 through 2-7-508, 2-7-511 through 2-7-516, and

14 2-7-521 to a new part in Title 5, chapter 13.

15 (4) Unless inconsistent with this act, any reference

16 to "department of community affairs" in the sections listed

17 in subsection (2), except 2-7-504, or "municipal audit

18 division" or reference to "department" in those sections or

19 related reference to "department" in related sections is

20 changed to "legislative auditor".

21 (5) The functions of certifying the financial

22 condition of disincorporating municipalities in Title 7,

23 chapter 2, part 49, are transferred to the legislative

24 auditor. Unless inconsistent with this act, any reference to

25 "department of community affairs" or "department" in

1 7-2-4906, 7-2-4911, or 7-2-4912 is changed to the  
2 "legislative auditor".

3 NEW SECTION. Section 13. Functions transferred to  
4 department of economic development. (1) The following  
5 functions of the department of community affairs are  
6 transferred to the department of economic development:

7 (a) generally assisting local governments in 7-1-4121,  
8 7-1-4145, and 7-1-4147;

9 (b) allocating state funds for public transportation  
10 in 7-14-102;

11 (c) acting as state administering agency for the  
12 Montana Economic Land Development Act, Title 15, chapter 24,  
13 part 13;

14 (d) disposing of oil and gas severance taxes in  
15 15-36-112;

16 (e) assisting development credit corporation under  
17 32-4-201;

18 (f) prescribing standards for monumentation in  
19 76-3-403;

20 (g) establishing minimum subdivision review rules  
21 under 76-3-502, 76-3-504, and 76-4-126;

22 (h) planning and developing the state economy in Title  
23 90, chapter 1, part 1;

24 (i) furnishing advice concerning secondary industry  
25 development under 90-5-113; and

1 (j) furnishing facilities and information to coal  
2 board under 2-15-1104, 90-6-204, and 90-6-207.

3 (2) Unless inconsistent with this act, any reference  
4 to the "department of community affairs" or "department" in  
5 those sections and in 2-15-104 are changed to "department of  
6 economic development".

7 NEW SECTION. Section 14. Functions transferred to  
8 department of administration. (1) The functions of the  
9 department of community affairs of supervising bonding of  
10 affairs and establishing audit methods of political  
11 subdivisions are transferred to the department of  
12 administration.

13 (2) Unless inconsistent with this act, any reference  
14 in 2-7-504, 2-9-702, and 2-9-802 to the "department of  
15 community affairs" or "department" is changed to "department  
16 of administration".

17 NEW SECTION. Section 15. Functions transferred to  
18 secretary of state. (1) The functions of the department of  
19 community affairs of providing and receiving certain  
20 documents to be filed by local governments in 7-3-146 and  
21 7-3-153 are transferred to the secretary of state.

22 (2) Unless inconsistent with this act, any reference  
23 to the "department of community affairs" in those sections  
24 is changed to "secretary of state".

25 NEW SECTION. Section 16. Functions transferred to

1 department of highways. (1) The functions of the department  
2 of community affairs of administering the aviation industry  
3 in 15-70-204, 15-70-221, Title 67, chapter 1, part 1, and  
4 80-8-204 are transferred to the department of highways.

5 (2) Unless inconsistent with this act, any reference  
6 to the "department of community affairs" in those sections  
7 and 2-8-103 is changed to the "department of highways".

8 (3) Corresponding internal references shall be changed  
9 also.

10 **NEW SECTION.** Section 17. Functions eliminated. (1)  
11 The functions of the department of community affairs of  
12 providing municipalities with certain forms in 7-1-4130; of  
13 assisting in delivery of emergency medical services in  
14 50-6-104 and 50-6-203; as a member of human services agency  
15 team in 53-10-101; and of receiving for review facility  
16 siting applications in 75-20-211, 75-20-216, and 75-20-501  
17 are eliminated.

18 (2) Unless inconsistent with this act, any reference  
19 to the "department of community affairs" in those sections  
20 is deleted.

21 **NEW SECTION.** Section 18. Functions transferred to  
22 department of justice. (1) The functions of the department  
23 of community affairs of administering the highway traffic  
24 safety program in 61-2-102, 61-2-103, and 61-2-208 are  
25 transferred to the department of justice.

1 (2) Unless inconsistent with this act, any reference  
2 to the "department of community affairs" in those sections  
3 is changed to the "department of justice".

4 **NEW SECTION.** Section 19. Functions transferred to  
5 department of social and rehabilitation services. (1) The  
6 functions of the department of community affairs of  
7 allocating weatherization money under 90-4-201 and 90-4-202  
8 are transferred to the department of social and  
9 rehabilitation services.

10 (2) Unless inconsistent with this act, any reference  
11 to the "department of community affairs" in those sections  
12 is changed to the "department of social and rehabilitation  
13 services".

14 Section 20. Codification instruction. (1) Section 2 is  
15 intended to be codified in a new part of Title 5, chapter  
16 13, and the provisions of Title 5, chapter 13, apply to  
17 section 2.

18 (2) Section 3 is intended to be codified as an  
19 integral part of Title 2, chapter 15, part 18, and the  
20 provisions of Title 2, chapter 15, apply to section 3.

21 (3) Section 4 is intended to be codified as an  
22 integral part of Title 2, chapter 15, part 25, and the  
23 provisions of Title 2, chapter 15, apply to section 4.

24 (4) Sections 2-15-1112 and 2-15-1113, MCA, are to be  
25 renumbered and with section 5 to be codified as an integral

1 part of Title 2, chapter 15, part 17, and the provisions of  
2 Title 2, chapter 15, apply to those sections.

3 (5) Section 7 is intended to be codified as an  
4 integral part of Title 90, chapter 1, part 1, and section 7  
5 applies to that part.

6 Section 21. Severability. If a part of this act is  
7 invalid, all valid parts that are severable from the invalid  
8 part remain in effect. If a part of this act is invalid in  
9 one or more of its applications, the part remains in effect  
10 in all valid applications that are severable from the  
11 invalid applications.

12 Section 22. Repealer. Sections 2-7-501 and 67-2-201  
13 through 67-2-205, MCA, are repealed.

14 Section 23. Termination procedure. The provisions of  
15 2-15-133 through 2-15-136, 2-19-101, and 2-19-102 shall  
16 govern the termination of the department of community  
17 affairs, the creation of the department of economic  
18 development, and the transfer of the various functions  
19 contained in this act. The department of administration  
20 shall reassign the books, records, and other property of the  
21 department of community affairs to the various agencies in  
22 accordance with the transfer of functions contained in this  
23 act.

-End-



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STATE OF MONTANA

REQUEST NO. 198-81

FISCAL NOTE

Form BD-15

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In compliance with a written request received January 23, 19 81, there is hereby submitted a Fiscal Note for House Bill 399 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

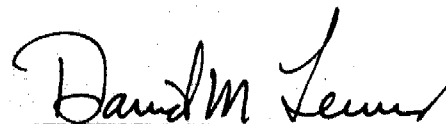
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Description of Proposed Legislation

This measure creates a Department of Economic Development by abolishing the Department of Community Affairs and transferring its functions among the Department of Economic Development and several other state departments.

Fiscal Impact

There is no fiscal note presently being prepared for this measure because Governor Schwinden is having parallel legislation introduced which covers virtually the same matters as are covered in House Bill 399. Because a fiscal note will be prepared for Governor Schwinden's bill, it is felt that a fiscal note for House Bill 399 is not necessary.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-27-81

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