

Local Government Interim Committee

65th Montana Legislature

SENATE MEMBERS ROGER WEBB--Chair CYDNIE (CARLIE) BOLAND MARGARET (MARGIE) MACDONALD FRED THOMAS HOUSE MEMBERS MARY ANN DUNWELL--Vice Chair DAVE FERN ADAM HERTZ JEREMY TREBAS COMMITTEE STAFF K. VIRGINIA ALDRICH, Staff Attorney JENNI CARR, Secretary SONJA NOWAKOWSKI, Research Director

MINUTES LOG

July 11, 2018 Room #137, Capitol Building Helena, Montana

<u>Please note</u>: This document is a Minutes Log and provides a notation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video record of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at http://leg.mt.gov. On the left-side menu of the home page, select Committees, then Interim. Once on the page for Interim Committees, scroll down to the appropriate committee. The written Minutes Log, along with the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed.

Please contact the Legislative Services Division at 406-444-3064 for more information.

COMMITTEE MEMBERS PRESENT

SEN. ROGER WEBB, Chair REP. MARY ANN DUNWELL, Vice Chair SEN. CYDNIE (CARLIE) BOLAND SEN. MARGARET (MARGIE) MACDONALD SEN. FRED THOMAS REP. DAVE FERN REP. ADAM HERTZ REP. JEREMY TREBAS

COMMITTEE MEMBERS EXCUSED

STAFF PRESENT

K. VIRGINIA ALDRICH, Staff Attorney JENNI CARR, Secretary SONJA NOWAKOWSKI, Research Director

VISITORS' LIST(Attachment 1)

AGENDA (Attachment 2)

COMMITTEE ACTIONS

- Approved as a committee bill LCVFF3 with a fireworks tax generating up to \$250,000 per year designated for assisting local fire agencies with workers' compensation for volunteer fire fighters and the remainder of the revenue for emergency medical and trauma services grants, an effective date of October 1, 2019, and a termination date of September 30, 2023. Rep. Dunwell agreed to carry.
- Approved as a committee bill LC VFF1 sections 1, 6, 9, 12 unanimously with the addition of language that says the mandatory volunteer firefighters' workers' compensation requirement would start in 2021. Sen. Thomas agreed to carry.
- Approved 7-1 as a committee bill LCVFF2, allowing emergency care providers to offer community-integrated health care. Sen. MacDonald agreed to carry.
- Approved as a committee bill LCMFD3 to allow certain municipalities to annex onto a rural fire district with changes to reflect an affirmative vote for a simple majority of those voting on the question in the proposal. Senator Webb agreed to carry.
- Approved as a committee bill LCMFD4 authorizing creation of regional fire protection service authorities with technical changes to be recommended by the Montana League of Cities and Towns, Montana Association of Counties, and stakeholders for consistency in dissolution and approval processes. Sen. MacDonald agreed to carry.
- Approved as a committee bill LCLGR1 allowing government accounting standards to include a financial reporting framework as defined by the department of administration. Sen. MacDonald agreed to carry.
- Adopted the Senate Joint Resolution No. 21 draft final report "Preserving and Improving the Future of Volunteer Fire and Emergency Services in Montana" with changes to reflect actions taken by the committee in July.

RECONVENE

00:00:07 Sen. Webb called the Local Government Interim Committee meeting to order, following the joint meeting with Revenue and Transportation Interim Committee. (Attachment 3) Sen. Thomas would be in and out with other meetings, so he left his proxy with Sen. Webb. (Attachment 4) Sen. Boland would be in and out with other meetings, so she left her proxy with Rep. Dunwell. (Attachment 5)

ADMINISTRATIVE MATTERS

00:01:18 Sonja Nowakowski, Legislative Services Division, introduced Local Government Interim Committee's new researcher, Toni Henneman, and began with the first agenda item.

Adoption of March meeting minutes

<u>Motion</u>

00:01:23 Rep. Fern moved to adopt March's meeting minutes. (Exhibit 1)

Vote

00:02:40 The motion passed unanimously on a voice vote.

Budget update

00:02:56 Ms. Nowakowski updated the committee on the budget.

HJ 25: STUDY OF MUNICIPAL FIRE DEPARTMENTS

Introduction and Background - Kelly Lynch, Montana League of Cities and Towns; Ted Barkley, Belgrade City Manager

00:04:22Ms. Lynch began the overview on the study of municipal fire departments.00:08:51Mr. Barkley began his presentation.

LCMFD3 - Second-Class Cities; LCMFD4 - Regional Fire Authorities

Overview of drafts - Ms. Nowakowski

00:20:03 Ms. Nowakowski began her overview on LCMFD3, and LCMFD4. (Exhibit 2)(Exhibit 3)(Exhibit 4)

Public comment on LCMFD3

- 00:24:30 Rich Cowger, Fire Chief, Columbus Rural Fire District #3.
- 00:26:08 Robert Drake, Fire Chief, Tri-lakes Fire Department, Helena.
- 00:26:48 Kelly Lynch, Montana League of Cities and Towns.
- 00:28:19 Eric Bryson, Montana Association of Counties.

Public comment on LCMFD4

- 00:31:26 Doug Russell, Kalispell City Manager
- 00:32:53 Dave Maslowski, Montana Professional Firefighters.
- 00:34:08 Rich Cowger, Fire Chief, Columbus Rural Fire District #3.

Questions and discussion

- 00:36:44 Sen. MacDonald asked Ms. Lynch for clarification on changing voting regulations regarding LCMFD3.
- 00:39:30 Mr. Barkley gave input on the language of LCMFD3.
- 00:40:22 Rep. Fern asked for clarification on rapid growth, number of applications, and whether numbers cited were just inside city limits.
- 00:44:38 The committee discussed details of the bill.

Committee action and selection of bill sponsor

<u>Motion</u>

00:55:35 Sen. MacDonald moved to adopt LCMFD3 as a committee bill, provided the voting is simple majority electors opposed to all eligible electors.

Vote

00:56:35 The motion passed unanimously on a voice vote.

<u>Motion</u>

00:57:05 Sen. MacDonald moved to adopt LCMFD4 as a committee bill, with the opportunity to iron out technical issues.

Discussion on the motion

00:57:53 The committee discussed the motion.

Vote

- 01:06:05 The motion passed unanimously on a voice vote.
- 01:06:53 Sen. MacDonald offered to carry LCMFD4.
- 01:07:15 Sen. Webb offered to carry LCMFD3.

DISCUSSION ON TIF 1

- 01:09:55 Sen. Webb asked the committee if there was interest in bringing TIF 1 forward as a committee bill.
- 01:10:23 The committee discussed TIF 1.

LOCAL GOVERNMENT GAAP REPORTING

Introduction and Background of LCLGR1 - Kim Smith, DOA Local Government Services Bureau

01:13:50 Ms. Smith began her presentation.

Overview of LCLGR1 - Ms. Nowakowski

01:22:31 Ms. Nowakowski reviewed LCLGR1. (Exhibit 5)

Public comment

- 01:23:32 Robert Drake, Fire Chief, Tri-lakes Fire Department, Helena.
- 01:25:13 Leonard Lundby, Montana Fire Alliance.
- 01:26:02 Kelly Lynch, Montana League of Cities and Towns.
- 01:26:37 Eric Bryson, Montana Association of Counties.

Committee questions and discussion

01:27:58 Rep. Dunwell asked Ms. Smith if there was anywhere in the bill that negates any requirement to report tax benefit districts, tax abatements, etc.

Committee action and selection of bill sponsor

<u>Motion</u>

01:29:25 Rep. Fern moved to adopt LCLGR1 as a committee bill.

<u>Vote</u>

- 01:29:51 The motion passed unanimously on a voice vote.
- 01:30:06 Sen. MacDonald offered to carry the bill.

BREAK (reconvened at 1:00pm)

SJ 21: STUDY OF EMS AND VOLUNTEER FIREFIGHTER SYSTEMS

LCVFF3 - Fireworks Tax

02:10:02 Sen. Web brought the meeting back to order, and introduced the next topic on the agenda.

Overview of draft - Ms. Moore

02:10:31 Ms. Moore began the overview of LCVFF3. (Exhibit 6)(Exhibit 7)(Exhibit 8)

Public comment

None.

Questions and discussion

- 02:15:44 Sen. MacDonald asked if unincorporated towns would not be eligible for any grants.
- 02:17:15 Rep. Fern asked if the area Sen. Brown was worried about is an anomaly.
- 02:18:09 Rep. Dunwell asked how it would work at the wholesale level as opposed to a retail level.
- 02:19:08 Sen. Webb asked how many wholesalers there are within the state.
- 02:19:54 Sen. MacDonald asked if applying it at the wholesale level would be less than a sales tax at the retail level.

Committee action

02:20:58 The committee discussed the details of the bill, including what percentage of wholesale tax to include, a date the bill should go into effect, and whether or not the bill could be a companion of previous bills discussed.

<u>Motion</u>

02:50:07 Rep. Fern moved to adopt LCVFF3 at a 5% wholesale level with a department issuing grants for worker's comp for departments lacking it on a two year basis and that grants for emergency services be included.

Discussion on the motion

02:51:50	The committee discussed the motion.
02:58:02	Rep. Fern withdrew his motion.

Committee action

- 02:58:04 Ms. Moore asked if the committee wished to request a bill draft of LCVFF3 with a 5% rate for wholesale sales of fireworks with the distribution of \$100,000 revenue used to provide worker's compensation for volunteer fire fighters, and the remainder of the revenue be used for emergency services grants.
- 02:59:03 The committee further discussed the details of the language in the bill.

<u>Motion</u>

03:05:38 Rep. Fern moved to adopt LCVFF3 as a committee bill with a 5% wholesale tax on fireworks sales, and \$250,000 of the revenue per year designated for assisting local fire agencies with workers' compensation for volunteer fire fighters and the remainder of the revenue for emergency services grants, an effective date of October 1, 2019, and a termination date of September 30, 2023.

Discussion on the motion

03:06:19 The committee discussed the motion.

Vote

- 03:06:54 The motion passed on a voice vote, 7-1, with Sen. Boland, Sen. MacDonald, Sen. Thomas, Sen. Webb, Rep. Dunwell, Rep. Fern, and Rep. Trebas voting 'yes' and Rep Hertz voting 'no'.
- 03:07:00 Rep Dunwell offered to carry the bill.

LCVFF1 - Workers Comp Coverage

Overview of draft - Ms. Murdo

03:08:31 Ms. Murdo began her overview. (Exhibit 9) (Exhibit 10) (see Exhibit 6)

Public comment

03:28:09	Leonard Lundby, Montana Fire Alliance.
03:32:16	Robert Drake, Fire Chief, Tri-lakes Fire Department, Helena.
03:33:30	Rich Cowger, State Fire Chiefs Association.

Questions and discussion

03:36:04 Rep. Fern asked for clarification on retaining disability insurance.

Committee action and selection of bill sponsor

<u>Motion</u>

03:40:00 Rep. Fern moved to adopt LCVFF1 as a committee bill to include sections 1,6, 9 and 12 so as to maintain the disability section of the existing statute.

Discussion on the motion

03:40:59 The committee discussed the motion.

Friendly amendment

- 03:45:58 Sen. Thomas moved to amend Rep. Fern's motion, so that it is effective as of 10/1/2019, the clause would require all districts who don't have coverage in place to have 2 years to get coverage.
- 03:47:40 The committee discussed the proposal.

Vote

- 03:54:20 The motion passed unanimously on a voice vote.
- 03:54:52 Sen. Thomas offered to carry the bill.

LCVFF2 - Regulation of Paramedicine

Overview of draft - Ms. Murdo

03:55:01 Ms. Murdo went over the bill draft. (Exhibit 11) (See Exhibit 7)

Public comment

04:09:25 Amy Allison, Glacier County.

- 04:14:08 William McCauley, Cutbank, Montana.
- 04:19:30 Angie Murphy, paramedic, Glacier County EMS.
- 04:23:01 Mr. Drake, Tri-Lakes Fire Department.
- 04:26:18 Tamara Kelly, Glacier County EMS.
- 04:30:09 Jean Branscum, CEO, Montana Medical Association.
- 04:33:25 Clint Loss, president Montana Medical Services Association.
- 04:34:36 Mr. Cowger, Columbus Fire Department.
- 04:36:17 Nicholas Bradford, Glacier County EMS.
- 04:39:25 Bruce Spencer, America's Health Insurance Plans.

Questions and discussion

04:48:51	Sen. Boland asked Ms. Murdo if she had involvement with SB 104.
04:49:54	Sen. Boland asked Mr. Spencer if he was involved in SB 104.

04:52:37 Rep. Dunwell asked for more information from Ms. Allison.

Committee action and selection of sponsor

<u>Motion</u>

04:58:09 Sen. Boland moved LCVFF2 as a committee bill.

Discussion on the motion

04:58:15 The committee discussed the motion.

<u>Vote</u>

04:59:35 The motion passed on a roll call vote, 7-1. (Attachment 6)

05:00:32 Sen. MacDonald offered to carry the bill.

SJ 21 Draft Report

Overview of report - Ms. Nowakowski

05:02:25 Ms. Nowakowski summarized the SJ 21 Draft Report.

BREAK (reconvene at 4:00pm)

<u>GLACIER COUNTY RESPONSE TO LGIC INQUIRY</u> - Glacier County Commission Chairman Mike DeRosier

- 05:12:37 Mr. DeRosier began his presentation.
- 05:40:44 Glenda Hall, Glacier County Clerk and Recorder, began her presentation. (Exhibit 12)
- 05:48:11 Tom McKay, Glacier County Commissioners.

Public comment

- 05:57:14 Leanne Kavanagh, editor and co-publisher of the Cut Bank Pioneer Press. (Exhibit 13) <u>Note</u>: Additional attachments to Exhibit 13 can be found in the Legislative Services Division upon request.
- 06:08:00 Elaine Mitchell. (Exhibit 14)
- 06:18:14 Jim Nelson, Glacier County.
- 06:27:29 Ms. Mitchell.
- 06:30:06 Mr. DeRosier.

Questions and discussion

None.

LOCAL GOVERNMENT SINGLE AUDIT ACT

LCSAA1 - Generally revising laws related to budgeting and accounting by local government entities

Panel discussion - DOA Letter; Steve Austin, DOR; Eric Bryson, MACo; Kelly Lynch, League of Cities and Towns

- 06:37:50 Mr. Austin began his presentation.
- 06:43:28 Rep. Dunwell asked at what point funds would be released back to the delinquent counties.
- 06:48:01 Sen. Webb asked if the funds were still being withheld.
- 06:49:27 Mr. Bryson began his presentation. (Exhibit 15) (Exhibit 16) (Exhibit 17)
- 06:59:04 Ms. Lynch began her presentation.

Introduction and overview - Ms. Aldrich

07:01:31 Ms. Aldrich began the overview.

Overview of draft - Ms. Aldrich

07:06:53 Ms. Aldrich began going over the bill draft section by section. (see Exhibit 15)

Public comment

07:17:56 Robert Drake, Tri-lakes Fire Department.

Questions and discussion

07:21:03 The committee discussed the bill, deciding to revisit the bill on the following meeting day.

PUBLIC COMMENT ON MATTERS WITHING THE JURISDICTION OF THE LGIC

No comment.

RECESS (recessed until 8:00am July 12, 2018)

07:29:02 With the agenda items covered for the day, Sen. Webb recessed the meeting at 6:20pm.

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Local Government Interim Committee

65th Montana Legislature

SENATE MEMBERS ROGER WEBB--Chair CYDNIE (CARLIE) BOLAND MARGARET (MARGIE) MACDONALD FRED THOMAS HOUSE MEMBERS MARY ANN DUNWELL--Vice Chair DAVE FERN ADAM HERTZ JEREMY TREBAS COMMITTEE STAFF K. VIRGINIA ALDRICH, Staff Attorney JENNI CARR, Secretary SONJA NOWAKOWSKI, Research Director

MINUTES LOG

July 12, 2018 Room #137, Capitol Building Helena, Montana

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COMMITTEE MEMBERS PRESENT

SEN. ROGER WEBB, Chair REP. MARY ANN DUNWELL, Vice Chair SEN. CYDNIE (CARLIE) BOLAND SEN. MARGARET (MARGIE) MACDONALD REP. DAVE FERN REP. ADAM HERTZ REP. JEREMY TREBAS

COMMITTEE MEMBERS EXCUSED

SEN. FRED THOMAS

STAFF PRESENT

K. VIRGINIA ALDRICH, Staff Attorney JENNI CARR, Secretary SONJA NOWAKOWSKI, Research Director

VISITORS' LIST(Attachment 7)

AGENDA (See Attachment 2)

COMMITTEE ACTIONS

- Approved as a committee bill LCSAA1 to generally revise laws related to budgeting and accounting by local government entities with modifications concerning the scope of the proposal. Rep. Dunwell agreed to carry.
- Approved three bill drafts aimed at addressing affordable housing:
 - LChtc1: providing for workforce housing tax credits. Sen. MacDonald agreed to carry.
 - LChlcs: creating an affordable housing loan program using money from the permanent coal severance tax trust fund. Rep. Dunwell agreed to carry.
 - LCahgr: allowing Big Sky Economic Development program funds and Treasure State Endowment program funds to be used for affordable housing infrastructure. Sen. Webb agreed to carry.

CALL TO ORDER AND ROLL CALL

00:00:04 Sen. Webb brought the meeting back to order. The committee secretary took roll. (Attachment 8) Sen. Thomas was excused, Sen. Webb carried his proxy. (See Attachment 4)

HOUSING TAX CREDIT

Introduction and Background - Rep. Hertz and Sheila Rice

00:01:30 Ms. Rice began her presentation. (Exhibit 18)(Exhibit 19)

LChtc1 - Workforce housing tax credits

Overview of draft - Ms. Moore

- 00:06:59 Ms. Moore began the overview of LChtc1. (Exhibit 20)
- 00:10:19 Rep. Fern asked for clarification on whether the tax exemption would have an impact on the general fund.
- 00:13:31 Rep. Dunwell asked for clarification on the effective date.

Public comment

- 00:15:40 Tyson O'connell, Wishrock Housing, Missoula, MT. (Exhibit 21)
- 00:30:00 Rep. Dunwell asked for clarification on why credits wouldn't be used.
- 00:35:01 Sen. MacDonald asked if there were concerns with the budget.
- 00:37:10 Rep. Fern asked about the allocation of a 4% sector.
- 00:46:11 Sen. Webb asked if the builder of a complex are mandated to keep it.
- 00:48:43 Sen. Boland asked if there was a job requirement.
- 00:51:42 Rep. Dunwell asked for clarification on the effective date.
- 00:53:38 Beki Brandborg, Helena, MT.
- 00:57:00 Rep. Fern asked if there were programs that allow a person to go from 60% to 80%.
- 01:01:43 Heather O'Loughlin, Montana Budget and Policy Center. (Exhibit 22)

Questions and discussion

01:08:16 Sen. MacDonald asked for clarification the \$8.5 million dollar cap.

01:11:51 The committee discussed the bill.

- 01:17:39 Ms. Rice pointed out information on the Colorado report. (see Exhibit 18)
- 01:19:46 Sen. Boland expressed concern with people staying in units even though they can afford more average priced housing.
- 01:22:55 The committee discussed the possible disincentive with this housing solution.

Committee action

Motion

01:28:58 Sen. MacDonald moved to adopt LChtc1 as a committee bill as currently drafted.

Committee discussion

01:29:54 The committee discussed the motion.

Vote

01:31:04 The motion passed unanimously on a voice vote.

01:31:25 Sen. MacDonald offered to carry the bill.

LChlcs - Low-and-moderate income housing loans

Overview of draft - Ms. Moore

01:31:54 Ms. Moore began her overview. (Exhibit 23)

Public comment

01:33:53 Ms. Rice, Montana Housing Coalition.

Questions and discussion

- 01:35:02 Rep. Hertz asked how the funds would be used.
- 01:38:25 Rep. Fern asked if the \$15 million currently accessed from the coal trust for housing doesn't include general housing.
- 01:40:52 Rep. Dunwell asked if this would detract from the veterans' home mortgage program.
- 01:41:40 Sen. Webb asked what the current interest rate is.

Committee action

<u>Motion</u>

01:43:00 Rep. Dunwell moved to adopt LChlcs as a committee bill.

<u>Vote</u>

01:43:36 The motion passed unanimously on a voice vote.

01:43:55 Rep. Dunwell offered to carry the bill.

LCahgr - Funding for affordable housing projects Overview of draft - Ms. Moore

01:44:07 Ms. Moore began overview. (Exhibit 24)

Public comment

01:45:10 Ms. Rice, Montana Housing Coalition.

01:46:11 Tim Burton, Executive Director of Montana League of Cities and Towns.

Questions and discussion

01:48:04 Rep. Hertz asked for Mr. Burton's opinion on a possible amendment to the bill.
01:49:20 Rep. Fern asked for the definition of "moderate income."
01:50:40 Rep. Hertz clarified some differences between state and federal definitions.

Committee action

<u>Motion</u>

01:51:32 Rep. Hertz moved to adopt LClhgr with the amendment that it is infrastructure to support the development of affordable housing for low-moderate income households.

Vote

01:51:57 The motion passed unanimously on a voice vote.

01:52:24 Sen. Webb offered to carry the bill.

BREAK (reconvened at 10:05am)

AIRBNB RENTALS IN MONTANA

<u>Overview</u> - Stuart Doggett, Lodging and Hospitality Association; Jamie Lane (by phone)

02:03:13 Mr. Doggett began his presentation. (Exhibit 25)

02:08:51 Rep. Dunwell asked for clarification on the report.

02:10:38 Rep. Hertz asked for specific AirBnB circumstances.

02:13:34 Sen. MacDonald asked for more information on the Arizona data.

Public comment

None.

Questions and discussion

None.

Committee action, if any

- 02:18:34 Sen. Webb asked if the committee wished to bring forward a bill.
- 02:18:40 Ms. Moore suggested the bill be brought forth by an individual legislator rather than the committee.
- 02:18:59 Sen. MacDonald offered to co-sponsor a bill.
- 02:19:32 Rep. Fern expressed agreement.
- 02:20:03 Rep. Dunwell also agreed.
- 02:20:57 Sen. Webb offered to carry an individual bill.

GATEWAY COUNTY LOCAL OPTION TAX

Introduction and Background - Bill Berg, Park County Commissioner; Michael Kardoes, Livingston City Manager; Erica Strickland, Park County Finance Director

- 02:23:50 Ms. Strickland began her introduction.
- 02:24:56 Mr. Berg began his presentation.
- 02:29:13 Mr. Kardoes began his presentation.

Overview of LCGLO1 - Ms. Moore

- 02:37:31 Ms. Moore went through LCGLO1. (Exhibit 26)
- 02:43:53 Rep. Hertz asked for clarification on the definition of "National Park."
- 02:44:28 Rep. Dunwell asked if the tax includes necessities to live.

Public comment

02:46:00 Doug Russell, city manager of Kalispell.

- 02:47:01 Ms. Strickland, Park County Finance Director.
- 02:48:48 Tim Burton, executive director, Montana League of Cities and Towns.

Questions and discussion

- 02:51:49 Rep. Hertz asked the panel if there was any idea how much of the tax would be paid by locals versus non-residents.
- 02:56:29 Rep. Fern asked for clarification on resort tax statutes and whether there is a minimum duration.
- 02:57:19 Rep. Fern asked how counties would self-direct themselves.
- 03:00:00 Sen. Webb asked what kind of property tax relief is being offered.
- 03:02:00 The committee discussed the bill, including taxes, language and definitions.

Committee action and selection of bill sponsor

<u>Motion</u>

03:12:32 Rep. Dunwell moved to adopt LCGLO1 as a committee bill, with the added conceptual amendment of a duration clause that voters would reconsider the bill every ten years.

Discussion on the motion

03:13:36 The committee discussed the motion.

Vote

03:16:52 The motion failed on a roll call vote, 4-4. (Attachment 9)

03:21:08 Rep. Dunwell offered to carry the bill independently of the committee.

LOCAL GOVERNMENT SINGLE AUDIT ACT

03:22:00 Sen. Webb brought the committee back to the Single Audit Act. (see exhibit 15)

Committee discussion

- 03:22:35 Sen. MacDonald asked if a motion was going to be entertained.
- 03:23:01 The committee discussed specifics of the bill, and shared their thoughts on the Single Audit Act.

<u>Motion</u>

03:49:29 Rep. Dunwell moved to adopt LCSAA1 as a committee bill with the conceptual amendment of removing personal liability from page 8 and 11, and leaving the existing statute on section 3B as-is in statute.

Discussion on the motion

03:50:39 The committee discussed the motion.

Vote

- 03:52:06 The motion passed on a roll call vote, 5-3. (Attachment 10)
- 03:52:26 Rep. Dunwell offered to carry the bill.
- 03:52:40 Rep. Fern asked if there could be any unintended consequences to the language provided.
- 03:55:49 Rep. Dunwell asked Ms. Aldrich if the bill can be amended.
- 03:57:02 Rep. Trebas asked if he could change his vote.
- 03:58:50 Rep. Trebas declined to make a motion to reconsider his vote.

FUTURE OF LOCAL GOVERNMENT COMMITTEE

Introduction of LCLGIC - Ms. Nowakowski

- 03:59:18 Ms. Nowakowski began the overview, including that the bill draft is no longer necessary. (Exhibit 27) (Exhibit 28)
- 04:01:42 Sen. Boland asked if there was potential for another meeting day for the 2018 interim.
- 04:03:03 Rep. Dunwell asked if there should be a subcommittee to deal with the Single Audit Act.
- 04:03:44 Rep. Fern asked about subcommittees.
- 04:04:36 Sen. Webb offered to aid Rep. Dunwell with the Single Audit Act.

Public comment

- 04:09:18 Tim Burton, executive director, Montana League of Cities and Towns.
- 04:12:04 Robert Drake, fire chief, Tri-Lakes Fire Department.
- 04:13:41 Brian Cavanagh, Cut Bank Pioneer Press.

Questions and discussion

04:15:50 The committee members ended the meeting by expressing gratitude towards one another and staff for their time in the 2017-2018 interim.

ADJOURN

04:19:12 With no further business before the committee, Sen. Webb adjourned the meeting at 12:22pm.

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