

**MINUTES**

**MONTANA SENATE  
57th LEGISLATURE - REGULAR SESSION  
COMMITTEE ON LOCAL GOVERNMENT**

**Call to Order:** By **CHAIRMAN DALE MAHLUM**, on March 1, 2001 at 3:00 P.M., in Room 335 Capitol.

**ROLL CALL**

**Members Present:**

Sen. Dale Mahlum, Chairman (R)  
Sen. John C. Bohlinger, Vice Chairman (R)  
Sen. Chris Christiaens (D)  
Sen. Bill Glaser (R)  
Sen. Duane Grimes (R)  
Sen. Don Hargrove (R)  
Sen. Ken Miller (R)  
Sen. Ken Toole (D)

**Members Excused:** Sen. John Cobb (R)  
Sen. Jim Elliott (D)  
Sen. Emily Stonington (D)

**Members Absent:** None.

**Staff Present:** Leanne Kurtz, Legislative Branch  
Mary Gay Wells, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 83, 2/22/2001  
HB 130, 2/22/2001  
HB 179, 2/22/2001  
HB 221, 2/22/2001

Executive Action: HB 83 BC  
HB 130 BC  
HB 221 BC  
HB 179 was discussed

**{Tape : 1; Side : A; Approx. Time Counter : 0}**

HEARING ON HB 221

Sponsor: REP. JOHN WITT, HD 89, CARTER

Proponents: Doug Monger, MT Fish, Wildlife & Parks

Opponents: None

Opening Statement by Sponsor:

REP. JOHN WITT, HD 89, CARTER. This bill had come about by an agreement between the Montana Agricultural Center & Museum of the Northern Great Plains and MT Fish, Wildlife and Parks (FWP). It will take the City of Fort Benton out of the equation. For the past ten years or so, FWP had been leasing the site to the City of Fort Benton, who in turn, with FWP's permission, subleased the property to the River and Plains Society, who actually ran the Ag Center and Museum. The FWP will lease directly to a non-profit organization, namely the River and Plains Society. The Mayor of Fort Benton testified that the city was agreeable to this change.

Proponents' Testimony:

Doug Monger, Administrator, Parks Division of FWP. He gave his testimony and handed in a written copy **EXHIBIT(1os47a01)**.

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

REP. WITT closed.

EXECUTIVE ACTION ON HB 221

Motion/Vote: SEN. HARGROVE moved that HB 221 BE CONCURRED IN. Motion carried 8-0. SEN. JON TESTER will carry the bill.

HEARING ON HB 83

Sponsor: REP. GARY MATTHEWS, HD 4, MILES CITY

Proponents: None

Opponents: None

Opening Statement by Sponsor:

REP. GARY MATTHEWS, HD 4, MILES CITY. House Bill 83 would abolish obsolete provisions requiring clerks of district courts to keep naturalization records and to collect fees for naturalization. The clerks at this time only refer potential citizens to the nearest federal court house. It has been ten years since the clerks of district courts have performed these duties in Montana.

Questions from Committee Members and Responses:

SEN. DON HARGROVE asked if the counties don't do this, who will.

REP. MATTHEWS replied that it is done in the federal court houses.

SEN. DUANE GRIMES wondered why, if it had been abolished ten years ago, the repealing sections 3-5-514 and 3-5-515 weren't done at that time. REP. MATTHEWS offered that in some counties it hasn't been done in over twenty-five years.

SEN. CHRIS CHRISTIAENS inquired if district courts had ever done naturalization. REP. MATTHEWS said that years and years ago they had done so. In the court houses in the old vaults, there are thick leather books where people signed in. However, he was not exactly sure when it all changed.

Closing by Sponsor:

REP. MATTHEWS closed.

EXECUTIVE ACTION ON HB 83

Motion/Vote: SEN. CHRISTIAENS moved that HB 83 BE CONCURRED IN. Motion carried 8-0. SEN. CHRIS CHRISTIAENS will carry the bill.

**HEARING ON HB 179**

**Sponsor:** REP. TOM DELL, HD 19, BILLINGS

**Proponents:** Jani McCall, City of Billings

**Opponents:** None

**Opening Statement by Sponsor:**

**REP. TOM DELL, HD 19, BILLINGS.** One of his constituents came to him and explained that she gets confused on election issues that deal with mill levies. She did not understand mill levies. This bill is in response to the voters' right to know the true cost of a tax increase on their property. The language on HB 179 would include on the ballot form "a statement of the impact of the election on a home valued at \$100,000 in the district in terms of actual dollars in additional property taxes that would be imposed on a residence." This would give voters a sense of how much their taxes would be raised. Greg Petesch wrote the bill which contains statutory language that pertains to the "big bill." House Bill 179 will be found at the bottom of page 1, line 30. It follows on page 2, lines 1-4. It continues on page 4, lines 15-17. It continues on page 20, lines 10-12. Those are the changes. New sections consist, not only of this bill, but the "big bill," HB 124. Each bill stands alone. If HB 124 should not pass, that would not affect HB 179 if it were to pass.

**Proponents' Testimony:**

**Jani McCall, City of Billings.** The city supports the bill. It allows for clarification, better understanding and informed decision-making for voters. People are confused when it comes to mill levies.

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

**SEN. DUANE GRIMES** felt that it was not that onerous to use the average price of a home of a given district. He asked for a sample or for the kind of language that is on the ballot currently. **REP. DELL** replied that what is normally put on the ballot is millage language. The newspapers do sometimes carry this kind of explanation for a \$100,000 home. He felt that using a \$100,000 home was easier than an average price on houses in an area to figure out what an increase would be on other homes.

**SEN. GRIMES** asked if it would be more difficult to pass a mill levy if the voters had that knowledge. **REP. DELL** responded that his constituent said she would have voted for that particular mill levy if she had been able to figure out that it was going to cost her \$9.00 a year. The mill levy was for a \$2 million increase. He, therefore, felt that more mill levies would pass if the voters were more knowledgeable.

**SEN. CHRIS CHRISTIAENS** informed the committee that his county had a mill levy going out on a mail-out ballot next week in Great Falls for a sports complex for about \$9 million. In the newspaper, they have been telling voters what it would cost for a person with a \$50,000 home or a \$100,000 home. His concern was that when the mill levies go into place, being based on the current value of the mill in that county, the value of a mill may change. The mill is set in August for the coming year and if there is a great deal of expansion, that figure may or may not be correct. The voters would then have been misled. **REP. DELL** replied that it is the responsibility of whoever figures the mill levy to get an accurate figure for the ballot. The media does usually do that. He understood that it is not that difficult and did not think it would change all that drastically.

**SEN. CHRISTIAENS** followed up with the thought of taking into consideration the closure of Conoco over in East Helena and what that would do to a mill levy either in Lewis & Clark or the City of Helena or East Helena. His fear is that if the voter is counting on an increase of \$9 and, because of an economic downturn, the increase is doubled, those voters are going to be very unhappy and feel that they were misled. **REP. DELL** answered that there are those probabilities, but he didn't want to throw the baby out with the bath water. The information is important to the voters and it would be impossible to foresee any or all situations that could change the value of a mill.

**SEN. KEN TOOLE** asked if this would be replacing current language with the value of \$100,000 home. **REP. DELL** stated that the language concerning the \$100,000 home is just being added to the current statute. It does not change existing language.

**SEN. GRIMES** noted that voter information guides are used for initiatives. He wondered if there were guides for voters concerning mill levy elections. **REP. DELL** did not think so.

**SEN. GRIMES** was concerned about the effective date of October. He asked if an earlier date might be better. **REP. DELL** replied that an earlier date would be fine.

**SEN. KEN MILLER** asked if the sponsor would be favorable to some additional language. He suggested that the voters be made aware of current taxes on a \$100,000 home and then be shown the additional tax of the mill levy. **REP. DELL** would not mind as long as the bill is kept simple and uncomplicated.

**SEN. JOHN BOHLINGER** felt that the bill was very straight forward.

**CHAIRMAN DALE MAHLUM** remarked that if the millage would go up the next year, could there be some language that would state that the increase would be based on the current value of a \$100,000 home. That would indicate that there could be a possible change at a later date.

**SEN. CHRISTIAENS** responded that might be a good idea because if one knows the value of a mill and if that value changes, they would know their tax could be changed, up or down.

**REP. DELL** agreed to that possible change.

**Closing by Sponsor:**

**REP. DELL** closed. The value of this bill would be similar to the Truth In Lending Act when someone buys a home. People so often do not understand the mill levy issue. The bill would help more mill levies to be passed.

*{Tape : 1; Side : B; Approx. Time Counter : 0}*

**EXECUTIVE ACTION ON HB 179**

**SEN. HARGROVE** felt there was room for misinterpretation, but the bill would make it better than it is now. The millage language is still in the bill. He wondered if there would be some liability for the state if the value of a mill would double within a year.

**SEN. CHRISTIAENS** stated that his concern was if people's taxes go up quite a bit, for whatever reason, would they be very upset and go looking for a responsible party.

**SEN. MILLER** offered that when mills are determined, they are calculated on an estimated value.

**SEN. BOHLINGER** remarked that this calculation takes place at a specific point in time. The value of a mill can be estimated on that day. Of course, this is not a fixed amount and would more than likely change, up or down.

**SEN. GRIMES** had concerns similar to **SEN. CHRISTIAENS**. He believed that voter guides might be the way to go. He also did not like to make something mandatory on election districts.

**SEN. BILL GLASER** asked the committee to remember SB 184. Senate Bill 184 is going to exempt up to the \$100,000 area over half of the value of that property. Therefore, one cannot say, "If I have a \$100,000 home, it will cost me \$10," and so on. The exemption comes off the bottom. House Bill 179 is going to mislead people. He suggested a small group go to the sponsor and see if something could be worked out.

**SEN. KEN TOOLE** wondered if SB 184 was the Homestead Exemption Act. **SEN. GLASER** explained that SB 184 created a phasing-in of homestead exemption. It gets higher and higher each particular period. In a couple of years, the tax on a \$100,000 home would be figured on \$50,000. On a \$200,000 home, they would pay taxes on 3/4 of the value. To use the arbitrary figure of \$100,000 is going to be quite misleading.

**CHAIRMAN MAHLUM** appointed a group to speak with **REP. DELL**. He appointed **SENATORS HARGROVE, GLASER AND CHRISTIAENS**.

No action was taken at this time.

#### HEARING ON HB 130

**Sponsor:** REP. BOB LAWSON, HD 80, WHITEFISH

**Proponents:** Darlene Staffeldt, Director, Statewide Library  
Resources, MT State Library  
Erin McGowan, Montana Library Assoc.

**Opponents:** None

#### **Opening Statement by Sponsor:**

**REP. BOB LAWSON, HD 80, WHITEFISH.** House Bill 130 was brought about by the Library Law Revision Task Force which was appointed by the Library Commission and was composed of trustees, librarians and the legislature. He served with this group for the past two years. **SEN. ROYAL JOHNSON** also served with the group. The Task Force's purpose was to review library laws and to suggest improvements. In this bill, they have simplified,

clarified and modernized library federation laws. Montana has six library federations and all libraries are eligible to participate. The Commission has approved the changes that are in the bill.

**Proponents' Testimony:**

**Darlene Staffeldt, Director, Statewide Library Resources, MT State Library.** There are six library federations in Montana. It is open to all libraries. Federation coordinators are in Billings, Helena, Lewistown, Miles City, Havre and Glasgow. They plan and manage federation activities. Librarians, library staff and trustees meet at least twice a year to receive training, to make plans for joint projects and to share resources and ideas. Federation members set goals and objectives which the State Library Commission must approve. Coordinators report on how they met those goals along with fiscal information in an annual report to the Commission. She believed all the changes were supported by members of the six federations. She handed out a letter by Deborah Schlesinger, Spokeperson, Federation Coordinators **EXHIBIT (los47a02)**. She then handed out a summary of the changes in HB 130 **EXHIBIT (los47a03)** and briefly explained them.

**Erin McGowan, MT Library Assoc.** These changes are will be good for the federation of libraries here in Montana.

**Opponents' Testimony: None**

**Questions from Committee Members and Responses:**

**SEN. CHRIS CHRISTIAENS** asked, with the changes, how it may affect the allocation of coal tax dollars that go to libraries. **Darlene Staffeldt** answered that it would not affect the coal tax dollars. Each session they must come to the Finance Committee and convince them that they need this money for federation services.

**SEN. CHRISTIAENS** inquired that with a different type of federation, are there going to be consolidations of small libraries in multi-county districts. **Ms. Staffeldt** stated that the bill allows any library to join the federation. It doesn't change funding.

**SEN. DUANE GRIMES** asked if there would be any incentives or disincentives for libraries to join together in HB 130. **Ms. Staffeldt** informed the committee that the library district bill would allow libraries or entities to join the federation. The federation is a loosely organized system in the state. They allow libraries to come together to share ideas and to have

workshops and training. There is a little bit of coal tax money that goes to help provide for some of these joint services.

**SEN. KEN MILLER** had a question on page 3, line 15. Under Section 2, subsection 2, the board of regents ability to contract with other libraries was taken out. **Ms. Staffeldt** answered that the ability to do that is under another law in statute. It is in Montana Code Annotated 22-1-303.

**Closing by Sponsor:**

**REP. LAWSON** closed. There had been a plan to change the funding of the federation, but due to the constraints of the budget, Sections 1 and 2 were moved out. The bill is a housekeeping bill at this time.

**EXECUTIVE ACTION ON HB 130**

**Motion/Vote:** **SEN. BOHLINGER** moved that **HB 130 BE CONCURRED IN.**  
**Motion carried 8-0. SEN. JOHN BOHLINGER will carry the bill.**

**ADJOURNMENT**

Adjournment: 4:15 P.M.

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SEN. DALE MAHLUM, Chairman

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MARY GAY WELLS, Secretary

DM/MW

**EXHIBIT (los47aad)**