



SENATE STANDING COMMITTEE REPORT

February 9, 2005

Page 1 of 7

Mr. President:

We, your committee on **Local Government** recommend that **Senate Bill 184** (first reading copy -- white) do pass as amended.

Signed: _____

Senator Jeff Mangan, Chair

And, that such amendments read:

1. Title, line 6.

Following: "MEDICINE"

Insert: ", "

Strike: "AND"

Following: "SUPPLIES"

Insert: ", AND LEGAL FORMS OF GAMBLING"

2. Title, line 10.

Strike: "REMAINS"

Insert: "MAY REMAIN"

Following: "EFFECT"

Insert: "OR MAY BE DISCONTINUED"

Following: "REMOVING"

Insert: "CERTAIN"

Following: "CONSTITUTES"

Insert: "A RESORT AREA OR"

3. Title, line 11.

Following: "COMMUNITY;"

Insert: "CLARIFYING THAT A MILL LEVY REDUCTION RESULTING FROM TAX RELIEF DUE TO IMPOSITION OF A LOCAL OPTION SALES TAX MAY NOT BE REINSTATED WHILE THE TAX IS IN EFFECT WITHOUT AN ELECTION;"

Strike: "7-6-1508, 7-6-1532,"

Strike: the first "AND"

Following: "7-7-4428,"

Committee Vote:

Yes 8, No 3.

320924SC.sjo

Handwritten initials, possibly "RJ", in the bottom right corner.

Insert: "AND 15-10-420,"

4. Page 1, line 19.

Following: "public"

Insert: ", "

Strike: "and to"

Following: "visitors"

Insert: ", "

5. Page 1, line 26.

Strike: "at destination resorts"

6. Page 1, line 30.

Strike: "that are not owned by a governmental entity"

7. Page 2, line 3.

Following: "include"

Insert: "motor fuels,"

8. Page 2, line 21.

Following: "imposed on"

Insert: "legal forms of gambling under Title 23, chapter 5,"

9. Page 4, line 27.

Strike: "up to 2%"

Insert: "a flat fee or an amount not to exceed 5%"

10. Page 5, line 27.

Following: "(1)"

Insert: "(a)"

11. Page 5, line 28.

Following: line 27

Strike: "municipal"

Following: "tax"

Strike: "is retained by the municipality"

Insert: "must be allocated as follows:

- (i) 75% must be allocated to the entity imposing the tax;
- (ii) 15% must be allocated to the region in which the entity imposing the tax is located; and
- (iii) 10% must be allocated to the subregion in which the

entity imposing the tax is located.

(b) Local option sales tax revenue received by region or subregion must be distributed, at least quarterly, to the eligible municipalities and counties and within the region or subregion on a per capita basis. For purposes of distributing the revenue, individuals residing within a municipality are not considered county residents"

12. Page 5, line 29.

Strike: "The"

Insert: "Unless otherwise provided by agreements with municipalities, the"

13. Page 6, line 7.

Following: "(3)"

Insert: "(a)"

14. Page 6, line 10.

Insert: "(b) A resort community, resort area, or resort area district that has agreed to not impose its tax and be subject to a county local option tax as provided in [section 8(3)] is entitled to receive county local option sales tax proceeds.

(4) For the purposes of this section:

(a) region 1 consists of the following subregions:

(i) Flathead and Lincoln Counties; and

(ii) Granite, Lake, Mineral, Missoula, Ravalli, and Sanders Counties;

(b) region 2 consists of the following subregions:

(i) Broadwater, Jefferson, Lewis and Clark, and Meagher Counties;

(ii) Beaverhead, Deer Lodge, Powell, and Silver Bow Counties; and

(iii) Gallatin, Madison, and Park Counties;

(c) region 3 consists of the following subregions:

(i) Cascade, Chouteau, Fergus, Glacier, Judith Basin, Pondera, Teton, and Toole Counties; and

(ii) Blaine, Hill, Liberty, and Phillips Counties;

(d) region 4 consists of the following subregions:

(i) Big Horn, Carbon, Golden Valley, Musselshell, Petroleum, Rosebud, Stillwater, Sweet Grass, Treasure, Wheatland, and Yellowstone Counties;

(ii) Daniels, Garfield, McCone, Roosevelt, Sheridan, and Valley Counties; and

(iii) Carter, Custer, Dawson, Fallon, Powder River, Prairie, Richland, and Wibaux Counties."

15. Page 6, line 16.

Following: "tax"

Insert: "on any item"

16. Page 6, lines 17 and 18.

Strike: "and any" on line 17 through "electorate" on line 18

Insert: "on that item"

17. Page 6, line 19 through line 21.

Strike: subsection (2)(b) in its entirety

ReNUMBER: subsequent subsection

18. Page 6, line 29.

Following: "district."

Insert: "However, an existing resort community, resort area, or resort area district may agree to not impose its tax and be subject to a county local option sales tax."

19. Page 7, line 11 through line 18.

Following: "that"

Strike: ":" on line 11 through "7-6-1508" on line 18

Insert: "has a resort tax in effect prior to [the effective date of this act]"

20. Page 7, line 19 through line 25.

Following: "that"

Strike: ":" on line 19 through "community" on line 25

Insert: "has a resort tax in effect prior to [the effective date of this act]"

21. Page 7, line 27 through page 8, line 15.

Strike: sections 10 and 11 in their entirety

ReNUMBER: subsequent sections

22. Page 9.

Following: line 24

Insert: "Section 12. Section 15-10-420, MCA, is amended to read:

"15-10-420. Procedure for calculating levy. (1) (a) Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to

generate the amount of property taxes actually assessed in the prior year plus one-half of the average rate of inflation for the prior 3 years. The Subject to subsection (10), the maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half of the average rate of inflation for the prior 3 years.

(b) A governmental entity that does not impose the maximum number of mills authorized under subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority carried forward may be imposed in a subsequent tax year.

(c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United States department of labor.

(2) A governmental entity may apply the levy calculated pursuant to subsection (1)(a) plus any additional levies authorized by the voters, as provided in 15-10-425, to all property in the governmental unit, including newly taxable property.

(3) For purposes of this section, newly taxable property includes:

(a) annexation of real property and improvements into a taxing unit;

(b) construction, expansion, or remodeling of improvements;

(c) transfer of property into a taxing unit;

(d) subdivision of real property; and

(e) transfer of property from tax-exempt to taxable status.

(4) (a) For the purposes of subsection (1), the taxable value of newly taxable property includes the release of taxable value from the incremental taxable value of a tax increment financing district because of:

(i) a change in the boundary of a tax increment financing district;

(ii) an increase in the base value of the tax increment financing district pursuant to 7-15-4287; or

(iii) the termination of a tax increment financing district.

(b) For the purpose of subsection (3)(d), the subdivision of real property includes the first sale of real property that results in the property being taxable as class four property or as nonagricultural land as described in 15-6-133(1)(c).

(c) For the purposes of this section, newly taxable property does not include an increase in appraised value of land that was previously valued at 75% of the value of improvements on

the land, as provided in 15-7-111(4) and (5), as those subsections applied on December 31, 2001.

(5) Subject to subsection (8), subsection (1)(a) does not apply to:

(a) school district levies established in Title 20; or

(b) the portion of a governmental entity's property tax levy for premium contributions for group benefits excluded under 2-9-212 or 2-18-703.

(6) For purposes of subsection (1)(a), taxes imposed do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.

(7) In determining the maximum number of mills in subsection (1)(a), the governmental entity may increase the number of mills to account for a decrease in reimbursements.

(8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes of 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439. However, the number of mills calculated by the department may not exceed the mill levy limits established in those sections. The mill calculation must be established in whole mills. If the mill levy calculation does not result in a whole number of mills, then the calculation must be rounded up to the nearest whole mill.

(9) (a) The provisions of subsection (1) do not prevent or restrict:

(i) a judgment levy under 2-9-316, 7-6-4015, or 7-7-2202;

(ii) a levy to repay taxes paid under protest as provided in 15-1-402; or

(iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326.

(b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes actually assessed in a subsequent year.

(10) A mill levy reduction resulting from tax relief due to imposition of a local option sales tax as provided in [sections 1 through 8] may not be reinstated while the local option sales tax is in effect unless the levy increase is approved at an election pursuant to 15-10-425.

~~(10)~~(11) A governmental entity may levy mills for the support of airports as authorized in 67-10-402, 67-11-301, or 67-11-302 even though the governmental entity has not imposed a levy for the airport or the airport authority in either of the previous 2 years and the airport or airport authority has not been appropriated operating funds by a county or municipality during that time.

~~(11)~~(12) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable property in a governmental unit."

Renumber: subsequent sections

- END -



SENATE STANDING COMMITTEE REPORT

February 9, 2005

Page 1 of 7

Mr. President:

We, your committee on **Local Government** recommend that **Senate Bill 116** (first reading copy -- white) do pass as amended.

Signed: _____

Senator Jeff Mangan, Chair

And, that such amendments read:

1. Title, line 11.

Strike: "ADEQUACY"

Insert: "SUFFICIENCY"

2. Title, line 22.

Strike: the second "AN"

Strike: the second "DATE"

Insert: "DATES"

3. Page 5, line 19.

Strike: "(1) (p)"

Insert: "(1) (q)"

4. Page 7.

Following: line 2

Insert: "(n) establish whether the governing body, its authorized agent or agency, or both will hold public hearings;"

Re-number: subsequent subsections

5. Page 7, lines 3 and 4.

Following: "body" on line 3

Insert: "or its agent or agency"

Strike: "to the" on line 3 through "after" on line 4

Insert: "at"

Committee Vote:

Yes 11, No 0.

320929SC.sjo

Handwritten initials, possibly "KM", in the bottom right corner.

Following: "hearing"
Insert: "or hearings"

6. Page 7, lines 4 through 6.
Strike: "when" on line 4 through "of" on line 6

7. Page 7, line 18.
Strike: "will"
Insert: "may"

8. Page 9, line 20.
Strike: "adequacy"
Insert: "sufficiency"

9. Page 10, line 1.
Strike: "adequate"
Insert: "detailed, supporting"

10. Page 10, line 2.
Following: "information"
Insert: "that is sufficient"

11. Page 10, line 5.
Strike: "inadequate"
Insert: "not sufficient"

12. Page 10, line 6.
Strike: "inadequate"
Insert: "insufficient"

13. Page 10, line 8.
Strike: "adequate"
Insert: "sufficient"

14. Page 10, line 10.
Following: "agency"
Insert: "or the governing body"

15. Page 10, line 13.
Strike: "adequate"

Insert: "sufficient"

16. Page 10, line 17.

Strike: "adequate"

Insert: "sufficient"

17. Page 10, line 18.

Strike: "disapprove"

Insert: "deny"

18. Page 10, line 24.

Strike: "disapproves"

Insert: "denies"

19. Page 10, line 28.

Following: "approval"

Insert: ", conditional approval,"

Strike: "disapproval"

Insert: "denial"

20. Page 10, line 29.

Strike: "adequate"

Insert: "sufficient"

21. Page 11, line 2.

Strike: "adequate"

Insert: "sufficient"

22. Page 11, line 7.

Strike: "(1) (n)"

Insert: "(1) (o)"

23. Page 11, lines 7 and 8.

Strike: "the" on line 7 through "hold" on line 8

24. Page 11, line 9.

Following: "application"

Insert: "must be held by the governing body, its authorized agent
or agency, or both"

Following: the first "and"

Insert: "the governing body, its authorized agent or agency, or both"

25. Page 11, line 10.

Strike: "proposed"

Following: "subdivision"

Insert: "application"

26. Page 11, line 11.

Strike: "disapproved"

Insert: "denied"

27. Page 11, line 22.

Strike: "disapproval"

Insert: "denial"

28. Page 11, line 26.

Strike: "(1) (n) "

Insert: "(1) (o) "

29. Page 11, line 29.

Strike: "following"

Insert: "at"

30. Page 11, line 30.

Strike: "the"

Insert: "a"

31. Page 12, line 4.

Following: "by"

Insert: "either"

Strike: "an earlier"

Insert: "a"

32. Page 12, line 8.

Strike: "disapprove"

Insert: "deny"

33. Page 12, line 9.

Following: "information"

Insert: "if the governing body determines that the new information is either irrelevant or not credible"

34. Page 12, line 15.

Following: "resumes"

Insert: "at the governing body's next scheduled public meeting for which proper notice for the public hearing on the subdivision application can be provided"

35. Page 12, line 16.

Strike: "and the"

Insert: ". The".

36. Page 12, line 17.

Strike: "disapprove"

Insert: "deny"

37. Page 12, line 22.

Strike: "disapprove"

Insert: "deny"

38. Page 14, line 21.

Strike: "disapprove"

Insert: "deny"

39. Page 14, line 23.

Strike: "adequate"

Insert: "sufficient"

40. Page 15, line 22.

Strike: "no more than"

Insert: "at least"

41. Page 15, line 27.

Strike: "disapproval"

Insert: "denial"

42. Page 15, line 28.

Strike: "adequate"

Insert: "sufficient"

43. Page 16, lines 16 and 17.

Following: "a"

Insert: "following"

Strike: "on" on line 16 through "statement" on line 17

Insert: "to deny or conditionally approve a proposed subdivision, the governing body shall prepare a written statement that must be provided to the applicant, that must be made available to the public, and"

44. Page 16, line 23.

Strike: "relevant to"

Insert: "used in reaching"

Following: "decision"

Insert: "to deny or impose conditions"

45. Page 16, line 24.

Strike: "contributed"

Insert: "apply"

Following: "decision"

Insert: "to deny or impose conditions"

46. Page 16, line 25 through line 28.

Following: "decision" on line 25

Strike: "that" on line 25 through "located" on line 28

Insert: "to deny or impose conditions and references documents, testimony, or other materials that form the basis of the decision"

47. Page 16, line 29.

Strike: "(5)"

Insert: "(4)"

Strike: "may"

Strike: "subdivision"

Insert: "preliminary plat"

Following: "and"

Strike: "the conditions"

48. Page 17, line 8.

Strike: "disapprove"

Insert: "deny"

49. Page 18, line 29.

Following: "Applicability."

Insert: "(1)"

50. Page 18.

Following: line 30

Insert: "(2) [Section 3], amending 76-3-504 and concerning adoption of regulations, and references to that section apply upon adoption of regulations under that section or on October 1, 2006, whichever occurs first."

- END -



SENATE STANDING COMMITTEE REPORT

February 9, 2005

Page 1 of 3

Mr. President:

We, your committee on **Local Government** recommend that **Senate Bill 195** (first reading copy -- white) do pass as amended.

Signed: _____

Senator Jeff Mangan, Chair

And, that such amendments read:

1. Title, page 1, line 6.

Strike: "SENSITIVE RESOURCE LANDS", "

2. Title, page 1, line 8.

Following: "76-1-103"

Strike: ", "

Insert: "AND"

3. Title, page 1, line 9.

Strike: "AND 76-3-509,"

4. Page 2, line 24.

Following: "residential"

Insert: "and business"

5. Page 2, line 25.

Following: "area"

Insert: "located at least 3 miles"

6. Page 2, line 27 through line 29.

Strike: "(17)" on line 27 through "wildlife." on line 29

Re-number: subsequent subsections

7. Page 4, line 17.

Following: "located"

Strike: "as" through "limits."

8. Page 5, line 10 through line 12.

Committee Vote:

Yes 9, No 2.

320923SC.sjo

A handwritten signature in the bottom right corner of the page.

Strike: "The" on line 10 through "2007:" on line 11

Insert: "If a growth jurisdiction has adopted a growth policy prior to October 1, 2006, the requirements of this section must be met by the time of the next review pursuant to 76-1-601(3). Growth jurisdictions without a growth policy in place by October 1, 2006, shall adopt growth policies that include the following requirements by October 1, 2007:"

Following: "accommodate" on line 12

Strike: "all of"

9. Page 5, line 17 through line 28.

Strike: "each" on line 17 through "county." on line 28

Insert: "after subtracting the amount of the county's projected growth that can be accommodated by the quality growth areas designated by and within the cities located within the county, each county:

(A) shall coordinate with each of the cities, within their jurisdictional boundaries that have designated quality growth areas that include unincorporated areas adjacent to the city, to designate and adopt identical quality growth areas adjacent to each city's municipal boundaries and infrastructure plans for those quality growth areas, pursuant to subsection (1)(b)(i);

(B) may designate one or more quality growth areas within or adjacent to existing rural centers or adjacent to cities that have not designated quality growth areas that include unincorporated areas adjacent to the city;"

Renumber: subsequent subsections

10. Page 6, line 8.

Strike: "grid"

Insert: "network"

11. Page 6, line 19.

Following: "agreements"

Strike: "or"

Insert: ", "

Following: "resolutions"

Insert: ", or similar, mutually accepted, methods"

12. Page 6, line 23 through line 24.

Strike: "(vi)" on line 23 through "degradation;" on line 24

Renumber: subsequent subsections

13. Page 6, line 29 through line 30.

Following: "section." on line 29

Strike: "Fees"

Insert: "These long-range planning fees are in addition to any fees adopted to cover the cost of application processing and"

Following: "applications" on line 29

Strike: ", " on line 29 through "building codes permits," on line 30

Following: "permits." on line 30

Strike: "Fees"

Insert: "These long-range planning fees"

14. Page 7, line 5 through page 8, line 2.

Strike: section 4 in its entirety

Renumber: subsequent section

15. Page 8, line 6.

Insert: "NEW SECTION. **Section 5. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications."

- END -



SENATE STANDING COMMITTEE REPORT

February 9, 2005

Page 1 of 1

Mr. President:

We, your committee on **Local Government** recommend that **Senate Bill 222** (first reading copy

-- white) do pass.

Signed: _____


Senator Jeff Mangan, Chair

- END -

Committee Vote:
Yes 11, No 0.

320947SC.sjo



SENATE STANDING COMMITTEE REPORT

February 9, 2005

Page 1 of 1

Mr. President:

We, your committee on **Local Government** recommend that **Senate Bill 225** (first reading copy -- white) do pass.

Signed: _____

Senator Jeff Mangan, Chair

- END -

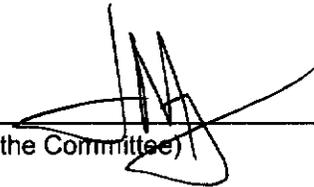
Committee Vote:
Yes 11, No 0.

320925SC.sjo

COMMITTEE FILE COPY

TABLED BILL

The **SENATE LOCAL GOVERNMENT COMMITTEE** TABLED **SB 262**, by motion, on **Tuesday**,
February 8, 2005.



(For the Committee)



(Secretary of Senate)

9:40 / 2-9
(Time) (Date)

February 8, 2005

Jennifer Kirby, Secretary

Phone: 444-4440

PROXY VOTE

I, THE UNDERSIGNED, HEREBY AUTHORIZE

SENATOR Hawks TO VOTE MY PROXY

ON ANY ISSUE BEFORE THE SENATE COMMITTEE

ON SB 184 ~~225~~ 116 222 262 MEETING HELD ON Feb 8, 2005

2003.

Amelia W...
SENATOR
STATE OF MONTANA

PROXY VOTE

I, THE UNDERSIGNED, HEREBY AUTHORIZE

SENATOR CSF TO VOTE MY PROXY

ON ANY ISSUE BEFORE THE SENATE COMMITTEE

ON local Gov ~~State Gov~~ MEETING HELD ON 2/2/05,

2003.

SB 195 Amend #1 yes
" #2 yes
SB 195 as amended yes


SENATOR
STATE OF MONTANA

PROXY VOTE

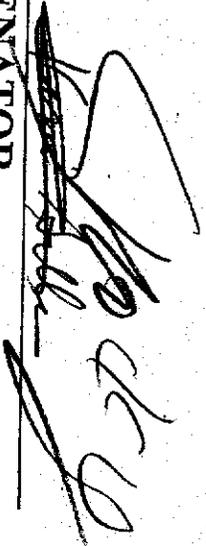
I, THE UNDERSIGNED, HEREBY AUTHORIZE

SENATOR L. A. BLO TO VOTE MY PROXY

ON ANY ISSUE BEFORE THE SENATE COMMITTEE

ON LOCAL GOV MEETING HELD ON 8/28/03

2003.


SENATOR
STATE OF MONTANA

PROXY VOTE

I, THE UNDERSIGNED, HEREBY AUTHORIZE

SENATOR Jeff Mansfield TO VOTE MY PROXY

ON ANY ISSUE BEFORE THE SENATE COMMITTEE

ON 2/18/05 MEETING HELD ON 2/18/05,

2003.

Clayton Spencer
SENATOR
STATE OF MONTANA

PROXY VOTE

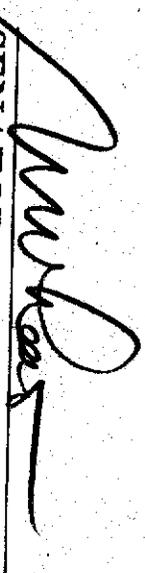
I, THE UNDERSIGNED, HEREBY AUTHORIZE

SENATOR MAHEAL TO VOTE MY PROXY

ON ANY ISSUE BEFORE THE SENATE COMMITTEE

ON LOCAL GOVT MEETING HELD ON 2-8,

2003.


SENATOR
STATE OF MONTANA

MONTANA STATE SENATE 2005 LEGISLATURE

VISITOR REGISTER

DATE 2-8-2005

SENATE COMMITTEE ON Local Govt.

BILLS BEING HEARD TODAY 290, 289, 253

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
James Bowditch	543-6646	Montana Ass. of Realtors	289	X	
Glen Opper	443-4032	"	289	X	
Jim KEMBEL	439-6791	MT ASSOCIATION OF REGISTERED LAND SURVEYORS	SB290	X	
John Prinkki	446-1231	MACo / Carbon Co	290	X	
TIM DAVIS	449-6086	MACo MS6C	SB290	X	
Myra Shultz	549-7224	MACo	SB290	X	
Jamie McCall	670-3080	City of Billings	290 253	X	X
Bill Callaghan	⁴⁰⁶ 442-5314	SELF	290		X
LAROLD BATHES	94360	MACo	290 253	X	X
LINDA STOLL	431-8688	MT LOCAL HEALTH OFFICERS	SB 290	✓	
Jim CARLSON	258-4996	Msia. "	"	✓	
Tammy McEld	252-3448	Map	253 290	X	X
Jan Williard	444-2409	DEQ	SB290	info	

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

MONTANA STATE SENATE 2005 LEGISLATURE

VISITOR REGISTER

DATE _____

SENATE COMMITTEE ON _____

BILLS BEING HEARD TODAY _____

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
Jim Madden	444-4009	DEQ	290	info	
Ray Lazuk	444-4400	DEQ	290	info	
Byron Roberts	442-4479	MT- Building Inst. A.	290	✓	

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY