



LOCAL GOVERNMENT INTERIM COMMITTEE

67th Montana Legislature

SENATE MEMBERS

Ken Bogner
Ellie Boldman
John Esp
Mark Sweeney

HOUSE MEMBERS

Larry Brewster
Geraldine Custer
Mary Ann Dunwell
Dave Fern
Steve Gist
Kathy Kelker

COMMITTEE STAFF

Toni Henneman - Research Analyst
Julie Johnson - Attorney
Fong Hom - Secretary

MINUTES LOG

March 16, 2022

Room 172/Zoom

Helena, Montana

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MEMBERS PRESENT:

Rep. Geraldine Custer, Chair (R)
Sen. Mark Sweeney, Vice Chair (D)
Rep. Larry Brewster (R)
Rep. Mary Ann Dunwell (D)
Sen. John Esp (R)
Sen. Ken Bogner (R)
Rep. Dave Fern (D)
Rep. Kathy Kelker (D)

MEMBERS EXCUSED:

Sen. Ellie Boldman (D)
Sen. Steve Gist (R)

STAFF PRESENT:

Toni Henneman, Research Analyst
Julie Johnson, Attorney
Fong Hom, Secretary

AGENDA (Attachment 1)

VISITORS' LIST (Attachment 2)

RECONVENE

09:00:34 Presiding Officer Geraldine Custer reconvened the meeting at 9:02 a.m. The committee secretary called roll. **(Attachment 3)**

SJ 23: PUBLIC NOTICE STUDY

Publication of Record Discussion

09:02:02 Toni Henneman, Research Analyst, gave a presentation on the briefing paper "Who Publishes Public Notices?" **(Exhibit 1)**

Questions from the Committee

09:08:10 Rep. Kelker asked Ms. Henneman about electronic opportunities for those counties that don't have the means for posting notices in newspapers.

09:10:26 Rep. Dunwell discussed posting public notices in three places and if one of the three places could be a county's or a municipality's website.

9:11:15 Ms. Henneman and Julie Johnson responded.

9:13:16 Rep. Custer commented on how she interprets the statement "...publication may be made by posting in three public places..."

09:14:47 Rep. Fern said that he likes what the state of Kentucky is doing regarding publication of public notices. He would like to go in the direction of integrating some of the Kentucky language for our purposes.

Legal considerations of digital records

09:16:30 Julie Johnson, Staff Attorney, gave a presentation on the different requirements for offering a record of public notice into evidence in court. **(Exhibit 2)**

Questions from the Committee

09:18:48 Rep. Dunwell asked Ms. Johnson about the costs for that extra level of verification.

Kentucky study and legislation discussion

09:19:33 Ms. Henneman gave a presentation on the study, "Cost and Policy Considerations for State-Mandated Local Public Notices" done by the Kentucky Legislative Research Commission **(Exhibit 3)**. Ms. Henneman discussed Kentucky's statutes regarding internet and newspaper publication procedures **(Exhibit 4)**.

Public Comment

09:28:50 Debi Randolph, Broadwater County

09:32:39 Jason Rittal, Montana Association of Counties

09:34:41 Kelly Lynch, Executive Director, Montana League of Cities and Towns

Questions from the Committee

09:35:43 Rep. Dunwell asked Ms. Randolph if she preferred not posting notices in a newspaper.

- 09:36:28 Rep. Dunwell asked Mr. Rittal about the option of using television as a means of posting notices.
- 09:37:26 Sen. Esp said the suggestions from Ms. Randolph are valuable and he would like to incorporate those suggestions in a bill draft going forward.
- 09:37:51 Rep. Fern asked Ms. Randolph about the percentage of people she is reaching who can access public notices if newspapers were no longer available for posting or advertising public notices.

Committee Work Session

- 09:40:07 Rep. Fern said he would like to study the Kentucky legislation.
- 09:43:31 Rep. Brewster suggested when posting notices in a newspaper, include information that tells a person the website address to read notices in newspapers that are available online.
- 09:45:23 Rep. Dunwell said that counties should be allowed to decide what's best for them. She would like to see notices printed in newspapers, on websites, or use a broadcast method of communication such as a local radio station provided that the radio station posts notices online.
- 09:50:31 Rep. Fern said he would like to see a reference by way of an ad that is minimal in size and visible.
- 09:51:47 Rep. Custer said that some of these smaller counties might have a website but keeping it updated is someone's job. Moving forward, we need to find a way to keep the public informed of where to find the notices.
- 09:53:23 Rep. Brewster said it would be interesting to see options to change statutes regarding legal notices and make it more flexible.
- 09:59:33 Rep. Custer said we need to know which county office is going to be responsible for the affidavit of publication.

CI-121 ANALYSIS AND DISCUSSION

Fiscal analysis and projections

- 10:00:39 Megan Moore, LSD Research Analyst, and Julia Pattin, LFD Fiscal Analyst, gave a presentation on Constitutional Initiative 121 (CI-121).
(Exhibit 5)

Public Comment

- 10:23:03 Jason Riddal, Montana Associations of Counties
- 10:26:47 Bob Story, Montana Taxpayers Association
- 10:32:14 Diane Fladmo, Montana Federation of Public Employees
- 10:35:21 Kelly Lynch, Montana League of Cities and Towns
- 10:40:43 Sam Sill, Montana Association of Realtors
- 10:45:03 Rachel Cone, Montana Farm Bureau Association
- 10:46:06 Rachel Prevost, Montana Farmers Union

Questions from the Committee

- 10:47:33 Rep. Kelker asked Mr. Story about possible sources of revenue for schools if CI-121 passes.
- 10:50:21 Rep. Dunwell asked Mr. Story what would happen to the entitlement share that comes from local government if CI-121 passes.

BREAK (reconvened at 11:19 a.m.)

HJ30: COUNTY WATER/SEWER DISTRICT STUDY

Review of draft legislation

11:19:51 Ms. Henneman discussed the bill draft PD 0001, revising county water and/or sewer district laws, revising laws related to the election, appointment, and composition of a county/water district board of directors. **(Exhibit 6)**

Public Comment

11:27:44 Julie Spencer, Manager, Bigfork Water and Sewer District

11:28:58 Jason Rittal, Montana Association of Counties

11:31:17 Pam Ellis, Board Member of the County Water District of Billings Heights
(Exhibit 7)

Questions from the Committee

11:39:24 Rep. Fern asked Ms. Ellis what would happen if the district was dissolved.

11:40:35 Rep. Kelker asked Ms. Henneman about legal issues with boards dissolving its districts.

11:42:45 The committee members discussed appointments and elections to a board, the suggestion of rewriting section 4, clarifying that a person appointed or elected to a board should reside in that district, and dissolving a district.

12:02:44 Rep. Fern discussed drafting two bills to address the issue of appointments and elections.

12:05:46 Sen. Esp asked Ms. Henneman if she could work with the Montana Association of Counties to come up with something that is clear, concise, and easy to understand.

12:09:10 Rep. Brewster clarified that the statute contemplates a defunct district. There is language that allows the dissolution of a defunct district that is no longer used and doesn't have debt or assets.

LAND USE WORKING GROUP UPDATE

12:11:55 Kelly Lynch, Executive Director, Montana League of Cities and Towns, gave an update on the activities of the working group.

MARA COMMITTEE UPDATE

12:13:59 Amy Carlson, Director, Legislative Fiscal Division, gave a presentation on the MARA Model **(Exhibit 8)**.

12:23:09 Joe Triem, Legislative Fiscal Division, discussed the Administration Module **(Exhibit 9)**, the Local Government Module **(Exhibit 10)**, and the Public Works Module **(Exhibit 11)**.

Questions from the Committee

12:26:42 Rep. Dunwell asked Mr. Triem if local government reports that are in arrears would skew the modules if pertinent information is missing.

GENERAL PUBLIC COMMENT

None.

COMMITTEE WORK SESSION

Review Interim Timeline

12:30:55 Ms. Henneman discussed the Local Government Interim Committee's Work Plan Timeline. **(Exhibit 12)**

Further Instruction to Staff

- 12:34:35 Rep. Fern said he would like an update on the Coal Trust Fund Study in July.
- 12:36:22 Rep. Dunwell discussed forming a subcommittee to work on the workforce and affordable housing issue and report its findings at the July meeting.
- 12:39:13 Sen. Esp discussed the Land Use Working Group's proposed bill drafts.
- 12:42:44 The committee discussed Rep. Dunwell's suggestion of forming a subcommittee.

ADJOURNMENT

- 12:46:35 Rep. Custer adjourned the meeting at 12:46 p.m.