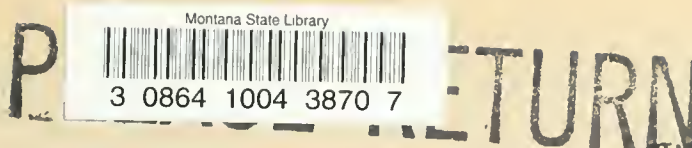


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1982 VOTER INFORMATION PAMPHLET

Introduction:

On November 2nd, you have the opportunity to vote on eight ballot issues and for a number of candidates for state and local offices. This pamphlet is being sent to you and to all other registered voters of the state to assist you in making good decisions when you enter the voting booth.

The first section of the pamphlet contains the ballot titles for the issues, explanatory and fiscal notes by the office of the attorney general where required, and arguments "for" and "against" and rebuttals for each issue prepared by proponents or opponents of the issues. Following these is the complete text of the issue as required by law. Each issue is identified by a logo. The second section of the pamphlet contains brief biographical statements about and pictures of each of the candidates for offices at the state and national level. A new feature of the Pamphlet, this information is included to more adequately reflect the intent, even the name of the Voter Information Pamphlet.

As Secretary of State for the State of Montana, I certify that the text of each ballot issue, ballot title, fiscal and explanatory notes, arguments and rebuttal statements which appear in this pamphlet is a true and correct copy of the original document filed in my office.



Jim Waltermire
Jim Waltermire
Secretary of State

TABLE OF CONTENTS

CONSTITUTIONAL AMENDMENTS



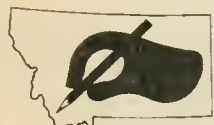
No. 10	2
No. 11	3
No. 12	6

LEGISLATIVE REFERENDUM



No. 89	9
--------------	---

INITIATIVES



No. 91	14
No. 92	15
No. 94	20
No. 95	23

CANDIDATE PROFILES



U.S. SENATE	26
-------------------	----



CONGRESSIONAL DISTRICT No. 1 (Western)	27
---	----



CONGRESSIONAL DISTRICT No. 2 (Eastern)	28
---	----

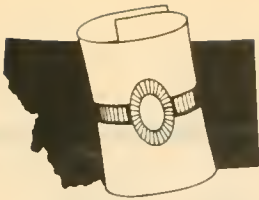


CLERK OF SUPREME COURT	29
------------------------	----



SUPREME COURT	30
---------------------	----

STATE GENERAL ELECTION • NOVEMBER 2, 1982



CONSTITUTIONAL AMENDMENT NO. 10

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the Montana Constitution regarding the investment of public funds. Currently, public funds may not be invested in private corporate capital stock and school fund investments must bear a fixed rate of interest. This proposal would eliminate those restrictions.

Fiscal Note

Removing these restrictions will allow the legislature to broaden the range of investments in which public funds may be invested. The fiscal impact of state funds is not known.

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VIII, SECTION 13, OF THE MONTANA CONSTITUTION REMOVING THE RESTRICTION ON INVESTMENT OF PUBLIC FUNDS IN CORPORATE CAPITAL STOCK AND THE REQUIREMENT THAT SCHOOL FUND INVESTMENTS BEAR A FIXED INTEREST RATE.

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

Section 1. Article VIII, section 13, of the Constitution of the State of Montana is amended to read:

"Section 13. Investment of public funds. (1) The legislature shall provide for a unified investment program for public funds and provide rules therefor, including supervision of investment of surplus funds of all counties, cities, towns, and other local governmental entities. Each fund forming a part of the unified investment program shall be separately identified. ~~Except for monies contributed to retirement funds, no public funds shall be invested in private corporate capital stock.~~ The investment program shall be audited at least annually and a report thereof submitted to the governor and legislature.

(2) The public school fund and the permanent funds of the Montana university system and all other state institutions of learning shall be safely and conservatively invested in:

- (a) Public securities of the state, its subdivisions, local government units, and districts within the state, or
- (b) Bonds of the United States or other securities fully guaranteed as to principal and interest by the United States, or
- (c) Such other safe investments ~~bearing a fixed rate of interest~~ as may be provided by law."

Section 2. Effective date. If approved by the electorate, this amendment is effective January 1, 1983.

Section 3. Submission to electorate. This amendment shall be submitted to the electors of the State of Montana at the general election to be held November, 1982, by printing on the ballot the full title of this act and the following:

- ☐ FOR removing the restriction on investment of public funds in corporate capital stock and the requirement that school fund investments bear a fixed rate of interest.
- ☐ AGAINST removing the restriction on investment of public funds in corporate capital stock and the requirement that school fund investments bear a fixed rate of interest.

ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 10

This constitutional amendment would allow state public monies and school fund investments to be invested in corporate capital stock, as well as in bonds and securities bearing a fixed rate of interest, which are now the only permitted investments.

During periods of high inflation, like we have been experiencing, fixed interest securities tend to lose purchasing power as fast as or faster than interest is earned, thereby eroding the real value of state investments. Permitting corporate capital stock investments gives the State Investment Board more opportunity and flexibility to preserve and enhance the purchasing power of our public monies in today's uncertain investment climate.

This investment flexibility is already permitted for the state public employees' and teachers' retirement funds. This constitutional change will not require such corporate capital stock investments. It only gives the State Investment Board this option for when, in their best judgment, it best serves the goal of preserving the value of Montana's public monies.

s/Bill Norman
Ken Nordtvedt

ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 10

The state constitution is the fundamental law of the state and ought not be changed for light or transient causes and it is

not the mission of state government to collect taxes to provide economic or financial relief to those having credit problems.

This proposed constitutional amendment would make an important change in how public funds may be invested. Now the constitution PROHIBITS the investment of public funds in PRIVATE CORPORATE CAPITAL STOCK but allows retirement funds to be so invested, however statute (17-6-211) has restricting limitations on investments with the purpose of protecting state funds while seeking maximum returns.

Retirement funds are long-term investments and may properly be placed in selective private corporate capital stock but public funds, tax generated revenues, which are collected for current expenditures require short-term placement in as safe a market as possible.

Obviously, the constitutional writers thought it unwise to allow public funds to be invested in private corporate capital stock — that is putting state money in stock in start-up (capital) issues which are not public issues qualifying on a national exchange.

We see no compelling reason to remove this restriction for if removed it might open the door to less conservative practices that even an annual audit might be too late to save.

The second proposed change would eliminate the requirement that the interest on school funds earn a fixed rate as provided by law. The legislature can change the interest rate as conditions indicate and, again, we see no compelling reason

to change the constitutional language.

State funds are public funds managed with a special obligation to protect the security of the funds and the safety of the investments and requires personal, statutory, and constitutional support. We see it a mistake to relax the restrictions and urge voting against removing the constitutional restrictions.

s/Matt Himsl
Francis Bardanouve

REBUTTAL OF ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 10

Writers of the argument against Constitutional Amendment No. 10 indicated that they would not write a rebuttal of the Argument for Constitutional Amendment No. 10.

REBUTTAL OF ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 10

Some state public monies are held for long term. The state's responsibility to maintain the true purchasing power of these

funds can only be met during inflationary periods by permitting investments in capital stock which can experience growth. Fixed interest securities inevitably lose value in such times. We are presently not protecting the value of our interest-bearing public funds. At seven percent inflation the value of bonds is cut in half every ten years. This amendment will give the State Board of Investments more ability to do their job.

The State Board of Investments under this proposed amendment may invest in blue chip capital stocks as it now can with the various retirement funds. This amendment is not a license to speculate in unlisted securities as the opponents claim.

If the state monies and school monies, held in trust for future Montanans, are worth maintaining in real purchasing power, we urge your support of this constitutional amendment which improves the opportunity of the state to carry out this trust.

s/Bill Norman, Chairman
Ken Nordtvedt
Jack Stevens

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

CONSTITUTIONAL AMENDMENT NO. 10

AN AMENDMENT TO THE CONSTITUTION PROPOSED BY THE LEGISLATURE

Attorney General's Explanatory Statement

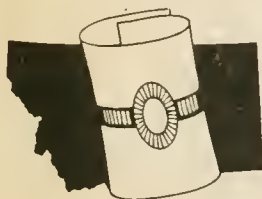
The legislature submitted this proposal for a vote. It would amend the Montana Constitution regarding the investment of public funds. Currently public funds may not be invested in private corporate capital stock and school fund investments must bear a fixed rate of interest. This proposal would eliminate those restrictions.

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VIII, SECTION 13, OF THE MONTANA CONSTITUTION REMOVING THE RESTRICTION ON INVESTMENT OF PUBLIC FUNDS IN CORPORATE CAPITAL STOCK AND THE REQUIREMENT THAT SCHOOL FUND INVESTMENTS BEAR A FIXED INTEREST RATE.

FISCAL NOTE

REMOVING THESE RESTRICTIONS WILL ALLOW THE LEGISLATURE TO BROADEN THE RANGE OF INVESTMENTS IN WHICH PUBLIC FUNDS MAY BE INVESTED. THE FISCAL IMPACT ON STATE FUNDS IS NOT KNOWN.

- ☐ FOR removing the restriction on investment of public funds in corporate capital stock and the requirement that school fund investments bear a fixed rate of interest.
- ☐ AGAINST removing the restriction on investment of public funds in corporate capital stock and the requirement that school fund investments bear a fixed rate of interest.



CONSTITUTIONAL AMENDMENT NO. 11

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the Montana Constitution to require the legislature to meet yearly. In odd-numbered years, the legislature would meet for not more than 60 days and would consider legislation on all subjects except appropriations. In even-numbered years, the legislature would meet for not more than 45 days and would be limited to considering revenue and appropriations matters. Legislation on excluded subjects could be considered if two-thirds of the members of either house voted to introduce such a bill. Currently the legislature meets every other year for not more than 90 days.

Fiscal Note

The cost of legislators' salaries, expenses and staff for the present 90 day legislative session is approximately \$3.2 million. These costs would increase about \$500,000 if the legislature were to meet in yearly sessions totaling 105 days during the same two year period.

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE V, SECTION 6, OF THE MONTANA CONSTITUTION TO PROVIDE THAT THE LEGISLATURE SHALL MEET IN ANNUAL SESSIONS FOR 60 LEGISLATIVE DAYS IN ODD-NUMBERED YEARS AND 45 LEGISLATIVE DAYS IN EVEN-NUMBERED YEARS AND TO PROVIDE LIMITATIONS ON THE BUSINESS THAT MAY BE CONDUCTED IN EACH RESPECTIVE SESSION; AND TO PROVIDE AN EFFECTIVE DATE.

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

Section 1. Article V, section 6, of the Montana constitution is amended to read:

"Section 6. Sessions. The legislature shall be a continuous body for 2-year periods beginning when the newly elected members take office as may be determined by the legislature. The legislature shall meet once a year in a regular session of not more than 60 legislative days in odd-numbered years and of not more than 45 legislative days in even-numbered years. The regular session in odd-numbered years shall be limited to consideration of legislation not relating to appropriations, except that legislation relating to appropriations may be considered if approved for introduction by a two-thirds vote of the members of either house. The regular session in even-numbered years shall be limited to consideration of legislation relating to revenue and appropriations, except that legislation not relating to revenue or appropriations may be considered if approved for introduction by a two-thirds vote of the members of either house. Any legislature may increase the limit on the length of any subsequent session. The legislature may be convened in special sessions by the governor or at the written request of a majority of the members."

Section 2. Effective date. If approved by the electorate, this amendment shall be effective January 1, 1984.

Section 3. Submission to electorate. This amendment shall be submitted to the electors of the state of Montana at the general election to be held in November 1982, by printing on the ballot the full title of this act and the following:

☐

FOR annual legislative sessions.

☐

AGAINST annual legislative sessions.

ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 11

Constitutional Amendment Eleven provides for a sensible, businesslike approach to conducting the business of the legislature. It would save the state and its taxpayers money. It would result in a more cost effective, accountable and responsive legislative process.

C11 provides for limited annual sessions. The regular session of not more than 60 days would be limited to legislation not related to appropriations. The regular session of not more than 45 days would be limited to consideration of legislation relating to appropriation and revenue.

The Limitations are sensible. A 2/3rds vote of either house would be necessary to open up a session for the consideration of legislation outside the limitation set for that session. Legislative history clearly shows that, except for minor procedural questions, a 2/3rds vote is difficult to obtain. Still, the Legislature would have the flexibility it needs to responsibly address emergencies or other serious problems.

Limited Annual Sessions would save money. Without regularly scheduled annual meetings of the legislature, the need for costly special sessions will increase. The history of the present legislature is instructive. It has met 90 days in regular session. It has met 15 days in two special sessions at a cost to taxpayers of \$441,000. A third special session was seriously contemplated. The increasing number of complex problems facing state government requires greater legislative attention. To continue to address these problems sporadically in costly special sessions is bad management and poor economics. The costs of doing so will soon exceed the cost of limited annual sessions.

Limited Annual Sessions would improve the accountability of the legislature. All legislators could become directly involved in the development and adoption of the state budget. This increased focus and involvement would contribute to a more knowledgeable, accountable legislature, particularly on matters of finance, taxation and budget.

In addition, incumbent legislators would be running for re-election almost immediately after each appropriations - revenue session. The proximity of the legislative session conducted expressly to make decisions about raising and spending tax dollars to the re-election campaigns of legislators who have just made those decisions would serve to increase legislative accountability. Finally, legislators would hold office between sessions, increasing the opportunities for constituent input in non-election years.

Limited annual sessions would give the legislature better control over the spending of taxpayer dollars. Because the legislature is not in session for 20 of the 24 months for which it is elected, the executive branch is able to appropriate substantial sums of money without adequate legislative control.

Limited annual sessions would give the legislature the means to make sure that taxpayers are fully represented when their tax dollars are at stake.

The limited annual sessions proposal makes good fiscal and political sense. It also makes good management sense because it would enable legislators to focus virtually all their attention on budget matters in one session and on general legislation in another. This would result in a more cost-effective, accountable and response legislative process.

s/Sen. Lawrence Stimatz, Chairman
John Vincent
Bob Brown

ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 11

The people of Montana in an initiative promoted by them in 1974 voted against annual sessions.

The Montana Legislature is now trying to reverse this by the referendum process and establish annual sessions in direct conflict to the previous vote of the people.

The reasons today for opposing annual session's are as valid and even stronger than they were in 1974 when the people voted against them. Here are some of the major ones:

1. We need to maintain our citizen legislature as opposed to professional legislators.

We need men and women legislators from all walks of life including those with hands that are rough because they must be used to make a living.

We won't have many of the latter if we have annual sessions as they just won't be able to take time off.

2. Annual sessions will move us toward professional legislators who will spend much of their time listening to lobbyists and state department and bureau heads who all want more money and/or power.

3. Annual sessions will lead to more and more bills with more and more cost and legislative meddling.

This was proven by Montana's one experience with annual sessions in 1973 and 1974 when 2970 bills were introduced.

By contrast 1359 bills (less than half) were introduced in the last regular biennial session of 1981.

4. The State Office of Budget and Program Planning estimates that annual sessions will cost taxpayers about \$250,000 a year more. This is for legislative cost only. It does not include the millions of more tax dollars that would be required to staff and administer the additional measures approved in annual sessions.

Nor does it include the time taken and money spent by Montana citizens who would have to come to Helena to testify on the greatly expanded number of measures proposed by legislators.

5. This proposed Constitutional Amendment No. 11 gives the impression that the legislative session's are required to be restricted to only certain subjects at each annual session. The fact is that under this amendment only 34 senators or 67 representatives could open the session to anything they wish.

In conclusion, annual sessions might be nice for paid lobbyists, Helena businesses and for those legislators who enjoy the political life.

But it would increase the cost, harassment and concerns for people across the State of Montana who have already said by ballot that they don't need or want annual sessions.

s/Jack E. Galt, Chairman
Walter R. Sales
Ken Byerly

REBUTTAL OF ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 11

The words "limited sessions" are used again and again by those who want annual sessions. But anyone familiar with the legislative process knows that legislators can easily extend the length of the sessions and increase the number of bills introduced.

So, under the proposed Constitutional Amendment 11, we would have annual sessions instead of every two years, and these annual sessions could be extended easily to last longer, include more bills and thus increase government (taxes) and harassment even more.

The annual session proposal in no way restricts the calling of other special sessions so the people of Montana will still be faced with the possibility of more special sessions.

It is important that the people know that the proposed

amendment would allow taxation measures to be presented in any of the sessions. The inference that money matters can be introduced only at one of the annual sessions is a sham.

Montana's voters have already expressed the desire for less legislative involvement in their lives and for holding down taxes.

This proposal for annual sessions is directly contrary to what the people have said they fear.

s/Jack Galt, Chairman
Walter R. Sales
Ken Byerly

REBUTTAL OF ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 11

Annual sessions of the legislature are needed to break up the tight administrative bureaucracy now existing, and to bring back the responsible democracy of elected legislators to government.

Annual sessions will insure that Montana continues to get a citizen legislature selected from persons from all walks of life. Capable and concerned citizens will run for legislative office because annual sessions will be shorter and will have a predictable schedule. The history of annual sessions in our various neighboring states bears this out.

Whether we have annual or biennial (every 2 years) sessions has very little to do with the number of bills introduced. What matters is the type of discipline and restrictions imposed by the legislature. The cause of the decrease of bills in the 1981 session was the direct result of the limit on the number of bills which could be introduced by the individual legislator.

The cost factor between annual sessions and biennial sessions is about equal due to the increasing number of special sessions needed by the biennial session format. Furthermore, annual sessions would avoid the crisis atmosphere which has prevailed in the closing days of the biennial session, resulting in costly errors and oversights.

Consideration of legislation contrary to the regular purpose of an annual session would be limited to legislation approved for introduction by a 2/3 vote of either house. A 2/3 vote would not be easy to get.

Lobbyists, bureaucrats, special interest groups and foes of responsible government are against annual sessions.

Constitutional Amendment 11 should be passed.

s/Lawrence G. Stimatz, Chairman
Bob Brown

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

CONSTITUTIONAL AMENDMENT NO. 11

AN AMENDMENT TO THE CONSTITUTION PROPOSED BY THE LEGISLATURE

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the Montana Constitution to require the legislature to meet yearly. In odd-numbered years the legislature would meet for not more than 60 days and would consider legislation on all subjects except appropriations. In even-numbered years the legislature would meet for not more than 45 days and would be limited to considering revenue and appropriations matters. Legislation on excluded subjects could be considered if two-thirds of the members of either house voted to introduce such a bill. Currently the legislature meets every other year for not more than 90 days.

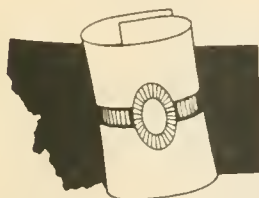
AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE V, SECTION 6, OF THE MONTANA CONSTITUTION TO PROVIDE THAT THE LEGISLATURE SHALL MEET IN ANNUAL SESSIONS FOR 60 LEGISLATIVE DAYS IN ODD-NUMBERED YEARS AND 45 LEGISLATIVE DAYS IN EVEN-NUMBERED YEARS AND TO PROVIDE LIMITATIONS ON THE BUSINESS THAT MAY BE CONDUCTED IN EACH RESPECTIVE SESSION; AND TO PROVIDE AN EFFECTIVE DATE.

FISCAL NOTE

THE COST OF LEGISLATORS' SALARIES, EXPENSES AND STAFF FOR THE PRESENT 90 DAY LEGISLATIVE SESSION IS APPROXIMATELY \$3.2 MILLION. THESE COSTS WOULD INCREASE ABOUT \$500,000 IF THE

LEGISLATURE WERE TO MEET IN YEARLY SESSIONS TOTALING 105 DAYS DURING THE SAME TWO YEAR PERIOD.

- ☐ FOR annual legislative sessions.
- ☐ AGAINST annual legislative sessions.



CONSTITUTIONAL AMENDMENT NO. 12

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the Montana Constitution regarding the legislature's ability to override the governor's veto. Currently the legislature must come back into session if it wishes to reconsider a bill vetoed by the governor after the session has ended. This proposal would allow the secretary of state to poll the legislature by mail. The proposal also specifies that two-thirds of the members of each house of the legislature must vote to override any veto for a bill to become a law.

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VI, SECTION 10, OF THE MONTANA CONSTITUTION TO PROVIDE THAT THE SECRETARY OF STATE SHALL CONDUCT A POLL OF ALL LEGISLATORS WHEN THE LEGISLATURE IS NOT IN SESSION AND THE GOVERNOR VETOES A BILL.

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

Section 1. Article VI, section 10, of the Constitution of the State of Montana is amended to read:

"Section 10. Veto power. (1) Each bill passed by the legislature, except bills proposing amendments to the Montana constitution, bills ratifying proposed amendments to the United States constitution, resolutions, and initiative and referendum measures, shall be submitted to the governor for his signature. If he does not sign or veto the bill within five days after its delivery to him if the legislature is in session or within 25 days if the legislature is adjourned, it shall become law. The governor shall return a vetoed bill to the legislature with a statement of his reasons therefor.

(2) The governor may return any bill to the legislature with his recommendation for amendment. If the legislature passes the bill in accordance with the governor's recommendation, it shall again return the bill to the governor for his reconsideration. The governor shall not return a bill for amendment a second time.

(3) If after receipt of a veto message, two-thirds of the members of each house present approve the bill, it shall become law.

(4) (a) If the legislature is not in session when the governor vetoes a bill approved by two-thirds of the members present, he shall return the bill with his reasons therefor to the secretary of state. The secretary of state shall poll the members of the legislature by mail and shall send each member a copy of the governor's veto message. If two-thirds or more of the members of each house vote to override the veto, the bill shall become law.

(b) The legislature may reconvene as provided by law to reconsider any bill vetoed by the governor when the legislature is not in session.

(5) The governor may veto items in appropriation bills, and in such instances the procedure shall be the same as upon veto of an entire bill."

Section 2. Effective date. This amendment is effective immediately upon approval by the electorate of Montana.

Section 3. Submission to electorate. When this amendment is submitted to the qualified electors of Montana, there shall be printed on the ballot the full title of this act and the following words:

- ☐ FOR allowing the legislature to override a post-session veto through a poll of its members by the secretary of state.
- ☐ AGAINST allowing the legislature to override a post-session veto through a poll of its members by the secretary of state.

ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 12

The veto power is one of those checks and balances in our government which has become unbalanced in recent years and tilted too much toward the governor. The reason for this is that if the legislators are not in session and available to vote on whether to override the governor's veto of a bill they just passed and sent to him, then his veto is not subject to their ultimate power to make the laws.

Most significant vetoes in recent years have come after the legislature has adjourned. This is not the governor's doing:

most of the important bills do not reach his desk until after adjournment. Elaborate computer technology is used to check legislative bills for errors after the final votes in the house or the senate. This process, called "enrolling," takes a number of days when hundreds of bills are heading toward the governor's desk. Computerized enrolling is a bottleneck at the end of legislative sessions which removes most governor's vetoes from the possibility of legislative override.

It is impractical and undesirable to expect the legislature to call itself back in session two or three weeks after adjournment just to try to override a veto. When travel and lodging costs are

reimbursed, the cost of a few minutes or hours of debate and voting becomes unacceptable. Once the legislature has completed its winter's work, most citizens do not want to hear about it again for awhile. Many members have long-postponed work obligations or businesses to catch up on in the spring.

Under these conditions, a vote-by-mail system to determine whether a veto should be upheld or overridden makes excellent sense. It is well suited to Montana's geography and citizen legislature tradition. Legislators already participate by mail in deciding whether to agree or disagree with the intent of state administrative regulations, or whether to call themselves into special session.

A mail ballot would not automatically follow every governor's veto after a legislative session. Only those bills supported by at least two-thirds of the legislators and then vetoed would be covered. For example, the bill to increase tax deductions for inflation was supported by most of the legislators of both parties in 1979, yet was vetoed after adjournment. As a practical matter, only bills enjoying such strong bipartisan support would be protected by this amendment.

We recommend a vote for the amendment to properly rebalance the checks and balances.

s/Pete Story, Chairman
Roger Tippy
Barbara J. "Bobby" Spilker

ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 12

Constitutional Amendment No. 12 would be a significant departure from the existing framework of Montana Government. Currently, the Legislature is intended to act as a law-making body only when assembled. This Amendment would authorize legislative action when members are dispersed throughout the state. This type of action, taken without the opportunity for public debate and deliberation and without the opportunity for public access and involvement, would weaken the legislative branch, whose essence is reasoned action following full consideration of all points of view.

This amendment is unnecessary. It will upset the delicate balance of powers between the legislative and executive branches of government. Under existing practice, if the legislature determines it may have to override a gubernatorial veto, it merely has to pass the bill in a timely fashion — up to five days before the end of a legislative session.

The amendment would eliminate full legislative deliberation and restrict public participation in the legislative process.

It greatly increases the likelihood of enacting technically flawed or unconstitutional laws.

By authorizing Legislators to vote to override a veto by mail, without the benefit of the views of fellow legislators and the public, the amendment invites hasty action. Such action is foreign to the legislative process, which places a premium on regular procedure with many opportunities for other Legislators and concerned voters to be heard. These opportunities are lost under the proposed procedure.

If a bill has technical flaws or is unconstitutional as written, and is vetoed and returned to the Legislature prior to adjournment, the Legislature may amend the bill to correct the problems and pass its amended version. If a bill is vetoed for one of these two reasons after adjournment of a session, a mail poll of the Legislature, even if reasons for the veto are provided, could result in enactment of a technically unworkable or unconstitutional bill.

The bill that proposes this constitutional amendment appears to have a technical flaw itself. It would allow the legislature to override, by mail ballot, a veto of a bill which had passed the house of origin, when assembled, by a wide margin or unanimously but passed the second house of the legislature, when assembled, by only one vote.

A bill which is politically controversial can be normally passed to the Governor at least five days prior to adjournment so that, if he chooses to veto it on a political basis, it can be returned, debated, and resolved by the Legislature before it adjourns.

The danger of allowing a mail poll to be used as a means to override a gubernatorial veto in all three cases is that it does not allow for the deliberate discussion and debate that would provide each member of the Legislature the benefit to hear the arguments for and against the matter prior to voting.

Constitutional Amendment No. 12 should not be passed.
s/Jack Haffey, Chairman
Dennis R. Lopach

REBUTTAL OF ARGUMENT FOR CONSTITUTIONAL AMENDMENT NO. 12

The argument presented in support of Constitutional Amendment No. 12 contradicts itself and is effectively rebutted in the argument advocating rejection of the issue.

The proponents suggest that the legislature, because it is not in session, cannot override a post-session gubernatorial veto, while acknowledging that the legislature can call itself back into session to deliberate, debate and decide whether or not to override. It is clear, therefore, that the post-session veto is subject to legislative override. If a special session is not favored, the issue could be addressed through a new bill in the next regular legislative session. Either existing method satisfies the interest of the public in legislative action following assembled deliberation and debate. This is not the case with a mail ballot.

The argument that computerized enrolling is a bottleneck at the end of a legislative session has no bearing on whether bills addressing significant issues can be passed by the legislature to the Governor no less than five days prior to adjournment . . . and even if it did, the slowness or inefficiency of the paper-handling process should not authorize legislators to make laws by mail ballot.

Any measure which denies the citizens of Montana access to the lawmaking process, as does a mail ballot, should be rejected.

The legislature can ensure, through its scheduling and handling of bills, that significant bills are passed to the Governor in time to consider a veto prior to adjournment of the legislature.

Constitutional Amendment No. 12 should be rejected.
s/Jack Haffey
Dennis Lopach

REBUTTAL OF THE ARGUMENT AGAINST CONSTITUTIONAL AMENDMENT NO. 12

The opponents have charged that this amendment would somehow weaken the legislative branch. They then point out various features of the change which will plainly strengthen the legislative branch.

Voters should understand that when the legislature does have a chance to vote on overriding an early veto, it does so under the current rules without further hearings or extended debate. A veto message is scheduled for one straight up-or-down vote in each chamber. Since the bill has already been through a full round of debate in each chamber, there is not much more to be said about it. As far as public involvement is concerned, legislators will benefit far more by listening to the opinions of their neighbors back home than by rehashing the same old arguments in Helena.

We cannot see how this increases the likelihood of enhancing technically flawed or unconstitutional legislation. If the governor's veto message sets out the nature of these technical or constitutional flaws in a straightforward manner, he will doubtless persuade at least one-third of the legislators mailing in their ballots, and the veto will be upheld. It is only when the real reason for the veto is plainly political rather than technical that the legislative override by mail will be an important check.

The "delicate balance of powers" is already out of whack, and this amendment is needed to set it straight again.

s/Peter Story, Chairman
Barbara J. "Bobby" Spilker
Roger Tippy

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

CONSTITUTIONAL AMENDMENT NO. 12

AN AMENDMENT TO THE CONSTITUTION PROPOSED BY THE LEGISLATURE

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the Montana Constitution regarding the legislature's ability to override the governor's veto. Currently the legislature must come back into session if it wishes to reconsider a bill vetoed by the governor after the session has ended. This proposal would allow the secretary of state to poll the legislature by mail. The proposal also specifies that two-thirds of the members of each house of the legislature must vote to override any veto for a bill to become a law.

AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO ARTICLE VI, SECTION 10, OF THE MONTANA CONSTITUTION TO PROVIDE THAT THE SECRETARY OF STATE SHALL CONDUCT A POLL OF ALL LEGISLATORS WHEN THE LEGISLATURE IS NOT IN SESSION AND THE GOVERNOR VETOES A BILL.

- ☐ FOR allowing the legislature to override a post-session veto through a poll of its members by the secretary of state.
- ☐ AGAINST allowing the legislature to override a post-session veto through a poll of its members by the secretary of state.

NOTES:



LEGISLATIVE REFERENDUM NO. 89

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the initiative passed by the voters in 1980 concerning the disposal of certain radioactive materials. This proposal would allow the disposal of some uranium and thorium mill tailings. The state would regulate the disposal of tailings, monitor the maintenance of disposal sites, and may charge fees for radiation control services. The state would also have authority to condemn radioactive waste disposal sites.

Fiscal Note

The cost of administering the radioactive materials program will be \$41,600 in fiscal year 1984 and \$58,872 in fiscal year 1985. The cost of operation of the project after fiscal year 1985 will be funded from license fees.

AN ACT TO REMOVE THE PROHIBITION OF DISPOSAL OF CERTAIN RADIOACTIVE MATERIALS IN THE STATE OF MONTANA ENACTED BY INITIATIVE 84 AND PROVIDING FOR A REGULATORY SYSTEM; PROVIDING FOR THE CONTROL AND CONDEMNATION OF LAND USED FOR DISPOSAL OF MILL TAILINGS FROM URANIUM AND THORIUM ORE PROCESSING; AND REVISING THE LAWS CONCERNING RADIATION CONTROL; AMENDING SECTIONS 75-3-102, 75-3-103, 75-3-104, 75-3-201, 75-3-202, 75-3-302, 75-3-303, 75-30-102, MCA, AND SECTION 1 OF INITIATIVE 84; PROVIDING AN EFFECTIVE DATE: AND PROVIDING FOR A REFERENDUM.

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

Section 1. Section 75-3-102, MCA, is amended to read:

"75-3-102. Purpose. It is the purpose of this chapter to provide a program:

(1) of effective regulation of sources of ionizing radiation for the protection of the occupational and public health and safety;

(2) to promote an orderly regulatory pattern within the state, among the states, and between the federal government and the state and facilitate intergovernmental cooperation with respect to use and regulation of sources of ionizing radiation to the end that duplication of regulation may be minimized;

(3) to establish procedures for assumption and performance of certain regulatory responsibilities with respect to byproduct, source, and special nuclear materials; and

(4) to permit maximum utilization of sources of ionizing radiation consistent with the health and safety of the public;

(5) for the control of mill tailings from uranium and thorium ore processing, both at active mill operations and after termination of active operations, in order to stabilize and control the tailings in a safe and environmentally sound manner, minimize or eliminate radiation health hazards to the public, and eliminate to the maximum extent practicable the need for long-term maintenance and monitoring."

Section 2. Section 75-3-103, MCA, is amended to read:

"75-3-103. Definitions. The definitions used in this chapter are intended to be consistent with those used in Title 10 CFR, parts 1-199, and Title 49 CFR, parts 173.389-173.399. Unless the context requires otherwise, in this chapter the following definitions apply:

(1) "Byproduct material" means:

(a) any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material; and

(b) the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, including discrete surface wastes resulting from a uranium solution extraction process, but excluding underground ore bodies depleted by such solution extraction operations.

(2) "CFR" means the Code of Federal Regulations published by the United States Government Printing Office, Washington, D.C.

(3) "Department" means the department of health and environmental sciences.

(4) "Disposal" means burial in soil, release through the sanitary sewerage system, incineration, or permanent long-term storage with no intention of or provision for subsequent removal.

(5) "General license" means a license effective pursuant to rules promulgated by the department without the filing of an application to transfer, acquire, own, possess, or use quantities of or devices or equipment utilizing quantities of byproduct, source, special nuclear materials, or other radioactive material occurring naturally or produced artificially. General licenses are effective without the filing of applications with the department or the issuing of licensing documents to the user.

(6) "Ionizing radiation" means gamma rays and x-rays, alpha and beta particles, high-speed electrons, neutrons, protons, and other nuclear particles, but not sound or radio waves or visible, infrared, or ultraviolet light.

(7) "Large quantity radioactive material" is that quantity of radioactive material defined in 49 CFR 173.389 (b).

(8) "Person" means an individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, agency, political subdivision or agency thereof, and any legal successor, representative, agent, or agency of the foregoing, other than the United States nuclear regulatory commission, any successor thereto, or federal agencies licensed by the nuclear regulatory commission.

(9) "Registration" means the registering with the department by the legal owner, user, or authorized representative of sources of ionizing radiation in the manner prescribed by rule.

(10) "Source material" means uranium, thorium, or any other material which the department or the United States nuclear regulatory commission declares by order to be source material or ores containing one or more of the foregoing materials in such concentration as the department or the nuclear regulatory commission declares by order to be source material after the nuclear regulatory commission has determined the material in such concentration to be source material.

(11) "Special nuclear material" means plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the department or the United States nuclear regulatory commission or any successor thereto declares by order to be special nuclear material or any material artificially enriched by any of the foregoing but does not include source material.

(12) "Specific license" means a license issued after application to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of or devices or equipment utilizing quantities of byproduct, special nuclear materials, or other radioactive material occurring naturally or produced artificially.

(13) "Surety" means:

(a) cash deposits;

(b) surety bonds;

(c) certificates of deposit;

(d) deposits of government securities;

(e) letters of credit; and

(f) other surety mechanisms considered acceptable by the department."

Section 3. Section 75-3-104, MCA, is amended to read:
"75-3-104. Exemptions — sources, diagnosis, and therapy.

(1) This chapter does not apply to the following sources or conditions:

(a) electrical equipment that is not intended primarily to produce radiation and that, by nature of design, does not produce radiation at the point of nearest approach at a weekly rate higher than one-tenth the appropriate limit for any critical organ exposed. The production testing or production servicing of such equipment is not exempt.

(b) radiation machines during process of manufacture or in storage or transit;

(c) any radioactive material while being transported in conformity with regulations adopted by the nuclear regulatory commission or any successor thereto or the interstate commerce commission and specifically applicable to the transportation of such radioactive materials.

(2) No exemptions under this section are granted for those quantities or types of activities that do not comply with the established rules promulgated by the nuclear regulatory commission or by any successor thereto."

Section 4. Section 75-3-201, MCA, is amended to read:

"75-3-201. State radiation control agency. (1) The department is the state radiation control agency.

(2) Under the laws of this state, the department may employ, compensate, and prescribe the powers and duties of the individuals which are necessary to carry out this chapter.

(3) The department may for the protection of the occupational and public health and safety:

(a) develop and conduct programs for evaluation and control of hazards associated with the use of sources of ionizing radiation;

(b) develop programs and adopt rules with due regard for compatibility with federal programs for licensing and regulation of byproduct, source, radioactive waste, and special nuclear materials and other radioactive materials. These rules shall cover equipment and facilities, methods for transporting, handling, and storage of radioactive materials, permissible levels of exposure, technical qualifications of personnel, required notification of accidents and other incidents involving radioactive materials, survey methods and results, methods of disposal of radioactive materials, posting and labeling of areas and sources, and methods and effectiveness of controlling individuals in posted and restricted areas.

(c) adopt rules to implement the provisions of this chapter;

(d) advise, consult, and cooperate with other agencies of the state, the federal government, other states, interstate agencies, political subdivisions, and groups concerned with control of sources of ionizing radiation;

(e) accept and administer loans, grants, or other funds or gifts, conditional or otherwise, in furtherance of its functions, from the federal government and from other sources, public or private;

(f) encourage, participate in, or conduct studies, investigations, training, research, and demonstrations relating to control of sources of ionizing radiation;

(g) collect and disseminate information relating to control of sources of ionizing radiation, including:

(i) maintenance of a file of all license applications, issuances, denials, amendments, transfers, renewals, modifications, suspensions, and revocations;

(ii) maintenance of a file of registrants possessing sources of ionizing radiation requiring registration under this chapter and any administrative or judicial action pertaining thereto;

(iii) maintenance of a file of all rules relating to regulation of sources of ionizing radiation, pending or adopted, and proceedings thereon."

Section 5. Section 75-3-202, MCA, is amended to read:

"75-3-202. Licensing and registration. (1) The department shall provide by rule for general or specific licensing of persons to receive, possess, or transfer radioactive materials and devices or equipment utilizing such materials. However, the department of state lands may, in lieu of the department, provide for permitting for reclamation purposes of uranium and thorium mills and tailing disposal sites pursuant to Title

82, chapter 4, and this section. The rules shall provide for amendment, suspension, or revocation of licenses pursuant to 75-3-401 and 75-3-403.

(2) Each application for a specific license shall be in writing and shall state such information as the department by rule may determine to be necessary to decide the technical, insurance, and financial qualifications or any other qualification of the applicant as the department considers reasonable and necessary to protect the occupational and public health and safety. The department may, at any time after the filing of the application and before the expiration of the license, require further written statements and may make such inspections as the department considers necessary in order to determine whether the license should be granted, denied, modified, suspended, or revoked. All applications and statements shall be signed by the applicant or licensee. The department may require an application or statement to be made under oath or affirmation.

(3) Each license shall be in such form and contain such terms and conditions as the department may by rule prescribe.

(4) No license issued pursuant to the provisions of this chapter and no right to possess or utilize sources of ionizing radiation granted by any license may be assigned or in any manner disposed of.

(5) The terms and conditions of all licenses shall be subject to amendment, revision, or modification by rules or orders issued in accordance with the provisions of this chapter.

(6) The department may require registration and inspection of persons dealing with sources of ionizing radiation which do not require a specific license and may require compliance with specific safety standards to be promulgated by the department.

(7) The department is authorized to exempt certain users from the licensing or registration requirements set forth in this section when the department makes a finding that the exemption of the users will not constitute a significant risk to the health and safety of the public.

(8) Rules promulgated pursuant to this chapter may provide for recognition of such other state or federal licenses as the department considers desirable, subject to such registration requirements as the department prescribes.

(9) The department or department of state lands may charge reasonable fees for its radiation control services, including but not limited to those for the issuance of categories of specific licenses consistent with the categories established by the United States nuclear regulatory commission or any successor thereto, and for inspections of licensees. Fees for the issuance of uranium or thorium milling or concentration licenses shall be sufficient to cover the department's or department of state lands' full costs of processing an application. The department shall establish a fee structure for such milling or concentration licenses which includes an application fee and an annual license maintenance fee. The maintenance fee shall be set at a level which, taking account of the nature and size of the various types of licenses and activities, will defray the department's costs of inspections, review, and approval of license revisions."

Section 6. Ownership of disposal sites and byproduct material. (1) Prior to or following the expiration of any radioactive materials license issued after July 1, 1981, the department or department of state lands may condemn the title to any land, other than land held in trust by the United States for any Indian tribe or owned by an Indian tribe and subject to a restriction against alienation imposed by the United States, or any interest therein, which is used for the disposal of byproduct material pursuant to the license, and the title to the byproduct itself, pursuant to Title 70, chapter 30. Condemnation is not allowed if the United States nuclear regulatory commission or any successor thereto determines, prior to the expiration of the license, that condemnation and transfer of either or both the land and byproduct material is not necessary to protect the public health, safety, and welfare;

(2) If the department or department of state lands condemns any interest in land or byproduct material pursuant to this section:

(a) the land or material must be maintained by the department or department of state lands in a manner to protect the public health, safety, and welfare;

(b) the department or department of state lands is authorized to undertake such monitoring, maintenance, and emergency measures as necessary to protect the public health, safety, and welfare;

(c) the transfer of title to the land or byproduct material does not relieve any licensee of liability for fraudulent or negligent acts done prior to condemnation.

Section 7. Standards for decontamination. (1) The department shall promulgate standards for the decontamination, decommissioning, and reclamation of any site at which ores were processed primarily for their source material content and which sites were used for disposal of byproduct material. However, the department of state lands, in lieu of the department, may promulgate standards for the reclamation of such disposal sites pursuant to Title 82, chapter 4, and this section.

(2) Any radioactive material license issued or renewed after July 1, 1981, for any activity that results in the production of byproduct material must contain such terms and provisions as the department determines necessary to insure that, prior to the expiration of the license, the licensee will comply with the decontamination, decommissioning, and reclamation standards of the department.

Section 8. Surety requirements. (1) Upon the condemnation of any land used for the disposal of byproduct material, the condemnation of byproduct material, or the condemnation of both such land and material, the department or department of state lands shall:

(a) require that an adequate surety, as determined by the department, be provided by the licensee in order to ensure the completion of all decontamination, decommissioning, and reclamation of sites, structures, and equipment used in conjunction with generation or disposal of byproduct material; and

(b) determine whether any long-term maintenance or monitoring of the land or byproduct material is necessary. If the maintenance or monitoring is found necessary, the licensee must make available to the department or department of state lands the funds necessary to assure the maintenance and monitoring and funds necessary to ensure compliance with standards adopted by the United States nuclear regulatory commission relating to reclamation and long-term management of the disposal site or byproduct material, or both.

(2) The funds required by this section shall include, but are not limited to, sums collected for long-term surveillance, and, if necessary, maintenance, but do not include money held as surety where no default has occurred and the reclamation or other bonded activity has been performed.

Section 9. Requirements for persons exempt from licensing. The department or department of state lands may, by rule or order, require persons processing ores primarily for their source material content but exempt from licensing under this chapter to conduct monitoring, perform remedial work, and comply with such measures as the department considers necessary or desirable to protect health or minimize danger to life or property.

Section 10. Section 1 of Initiative 84 is amended to read as follows:

"New Section 1. There is a new MCA section that reads as follows:

"Policy. It is the policy of the state of Montana, in furtherance of its responsibility to protect the public health and safety, under the police powers of the state and for protection of the constitutional right to a healthy environment, to provide for the regulation of the disposal of certain radioactive material."

Section 11. Section 75-3-302, MCA, is amended to read:

"75-3-302. Disposal of large quantities of radioactive material prohibited — exclusion. (1) No person may dispose of large quantity radioactive material, high-level radioactive material, byproduct material as defined in 75-3-103 (1) (a), or special nuclear material, within the state of Montana. Byproduct material (except large quantity radioactive material) possessed, used, and transported for educational purposes; scientific research and development; medical research, diagnosis, and treatment; geophysical surveying; and similar uses licensed by the United States nuclear regulatory commission or the department are exempt from this section.

(2) Notwithstanding subsection (1) of this section, the dis-

posal in Montana of byproduct material, as defined in 75-3-103 (1) (b), produced in Montana, is authorized if done pursuant to a license issued by the United States or by the department.

(3) For purposes of subsection (1) of this section, "radioactive material" means any material, or combination of materials, which spontaneously emits ionizing radiation and for which a specific license is required by the United States or by the department.

(4) For purposes of subsection (1) of this section, disposal of large quantity radioactive material means the disposal from a single shipment, container, or vehicle of a quantity of radioactive material that would exceed the limits specified in 49 CFR 173.389.

(5) For purposes of subsection (1), "high-level radioactive material" means radioactive material consisting of spent nuclear fuel or the highly radioactive waste resulting from the reprocessing of spent nuclear fuel.

(6) Nothing in this part precludes the construction of a nuclear facility approved under the requirements of the Montana Major Facility Siting Act, or the mining of any raw ore, provided that such activity is not inconsistent with this part."

Section 12. Section 75-3-303, MCA, is amended to read:

"75-3-303. Penalty. A person who knowingly or purposely disposes of large quantity radioactive material, byproduct material, or special nuclear material within Montana in violation of 75-3-302 shall be fined an amount not more than \$5,000 or be imprisoned for not more than two years, or both, for each offense. A person who negligently disposes of large quantity radioactive material, byproduct material, or special nuclear material within Montana in violation of 75-3-302 shall be fined not more than \$1,000 for each offense. In this part, each day of violation constitutes a separate offense."

Section 13. Section 70-30-102, MCA, is amended to read:

"70-30-102. Public uses enumerated. Subject to the provisions of this chapter, the right of eminent domain may be exercised in behalf of the following public uses:

(1) all public uses authorized by the government of the United States;

(2) public buildings and grounds for the use of the state and all other public uses authorized by the legislature of the state;

(3) public buildings and grounds for the use of any county, city or town, or school district; canals, aqueducts, flumes, ditches, or pipes conducting water, heat, or gas for the use of the inhabitants of any county, city, or town; raising the banks of streams, removing obstructions therefrom, and widening, deepening, or straightening their channels; roads, streets, and alleys and all other public uses for the benefit of any county, city, or town or the inhabitants thereof, which may be authorized by the legislature; but the mode of apportioning and collecting the costs of such improvements shall be such as may be provided in the statutes or ordinances by which the same may be authorized;

(4) wharves, docks, piers, chutes, booms, ferries, bridges, of all kinds, private roads, plank and turnpike roads, railroads, canals, ditches, flumes, aqueducts, and pipes for public transportation, supplying mines, mills, and smelters for the reduction of ores and farming neighborhoods with water and drainage and reclaiming lands and for floating logs and lumber on streams not navigable and sites for reservoirs necessary for collecting and storing water. However, such reservoir sites must possess a public use demonstrable to the district court as the highest and best use of the land.

(5) roads, tunnels, ditches, flumes, pipes, and dumping places for working mines, mills, or smelters for the reduction of ores; also outlets, natural or otherwise, for the flow, deposit, or conduct of tailings or refuse matter from mines, mills, and smelters for the reduction of ores; also an occupancy in common by the owners or the possessors of different mines of any place for the flow, deposit, or conduct of tailings or refuse matter from their several mines, mills, or smelters for reduction of ores and sites for reservoirs necessary for collecting and storing water. However, such reservoir sites must possess a public use demonstrable to the district court as the highest and best use of the land.

(6) private roads leading from highways to residences or farms;

(7) telephone or electric light lines;

- (8) telegraph lines;
- (9) sewerage of any city, county, or town or any subdivision thereof, whether incorporated or unincorporated, or of any settlement consisting of not less than 10 families or of any public buildings belonging to the state or to any college or university;
- (10) tramway lines;
- (11) electric power lines;
- (12) logging railways;
- (13) temporary logging roads and banking grounds for the transportation of logs and timber products to public streams, lakes, mills, railroads, or highways for such time as the court or judge may determine; provided, the grounds of state institutions be excepted;
- (14) underground reservoirs suitable for storage of natural gas;
- (15) to mine and extract ores, metals, or minerals owned by the plaintiff located beneath or upon the surface of property where the title to said surface vests in others. However, the use of the surface for strip mining or open pit mining of coal (i.e., any mining method or process in which the strata or overburden is removed or displaced in order to extract the coal) is not a public use, and eminent domain may not be exercised for this purpose;
- (16) to restore and reclaim lands strip- or underground-mined for coal and not reclaimed in accordance with Title 82, chapter 4, part 2, and to abate or control adverse affects of strip

- ☐ FOR allowing disposal in Montana of uranium mill tailings as an exception to the ban on disposal of radioactive waste and providing a regulatory system.
- ☐ AGAINST allowing disposal in Montana of uranium mill tailings as an exception to the ban on disposal of radioactive waste and providing a regulatory system.

Section 19. Effective date. This act is effective on passage and approval by the electors of the state of Montana.

ARGUMENT FOR LEGISLATIVE REFERENDUM NO. 89

Referendum 89 is an amendment to existing law. Under existing law the mine mill tailings from uranium and thorium are prohibited from disposal within the state. It is not economically feasible to mine uranium and ship the total ore body to the market and it is not economically feasible to dispose of the mill tailings out of the state. The prohibition of disposal of mill tailings in the state established by Initiative 84 in 1980 thus rendered uranium mining impractical.

Since that time there has been no uranium or thorium mining and no significant exploration in the state. The loss of mining and exploration caused the loss of numerous technical jobs and supporting services. There was also a loss of capital investment in Montana from this viable industry. Many counties lost tax revenues.

Referendum 89 would amend the law to permit and regulate the proper disposal of mine mill tailings in accordance with approved federal standards. The licensing and permitting fees to be paid by the industry would cover all costs of state regulation and there would be no cost to the taxpayer. The safety of the general public would be protected and at the same time a strategic natural resource could be located and developed for the benefit of our society and our country.

The ban on disposal of nuclear waste from outside our state would still be in effect and would not be any more subject to challenge in the court than it has been in the past.

s/Thomas F. Keating, Chairman
Thomas R. Conroy
Henry E. Reed

ARGUMENT AGAINST LEGISLATIVE REFERENDUM NO. 89

Legislative Referendum 89 (LR-89) would accomplish two purposes that are alien to good government in Montana. First, it effectively repeals an initiative law passed by Montana voters in 1980, Initiative 84. Second, it establishes a new regulatory system that will be costly, untimely, and probably ineffective for Montana.

LR-89 would eliminate Initiative 84's ban on radioactive waste produced by the refining of uranium and its radioactive

or underground mining on those lands;

(17) to decontaminate, decommission, or reclaim byproduct material and disposal sites in accordance with Title 75, chapter 3, part 2."

Section 14. Codification instruction. Sections 6 through 10 and section 1 of Initiative 84, as amended by this act, are intended to be codified as an integral part of Title 75, chapter 3, and the provisions of Title 75, chapter 3, apply to sections 6 through 10 and section 1 of Initiative 84, as amended by this act.

Section 15. Saving clause. This act does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this act.

Section 16. 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.

Section 17. Coordination. If Senate Bill 258 is passed and approved, any reference in this act to "department of state lands" is changed to "department of natural resources and conservation".

Section 18. Referendum. The question of whether this act shall become effective shall be submitted to the electors of the state of Montana at the general election to be held November 2, 1982. The question shall be submitted by printing on the ballot the full title of this act and the following:

decay products. Uranium mining wastes are not banned or regulated by Initiative 84, your existing radioactive waste ban, since those mining wastes are regulated by the same law that regulates coal mining. The refining waste that is presently banned is called radioactive mill tailings. Present law allows disposal of this waste in Montana if the radioactivity is reduced by recovering the radioactive decay products. This is more expensive, but it leaves a cleaner waste that does not require either special handling or a bureaucracy to monitor the waste forever. LR-89, now on the ballot, would require both the special handling and the bureaucracy to monitor the waste forever, no small expense in itself.

In an appeal to our protective instincts, LR-89 does try to ban the disposal in Montana of radioactive mill tailings produced in other states. This is unconstitutional under the Commerce Clause of the U.S. Constitution as it discriminates against other states. LR-89 would create a legal nightmare for Montana. Further, by effectively repealing Initiative 84, LR-89 would also eliminate Montana's present requirement that groundwater be returned to its original quality after any process of chemically dissolving uranium underground (solution mining).

In allowing disposal of radioactive mill waste in Montana, LR-89 would establish the statutory framework for Montana to become an "agreement state" with the U.S. Nuclear Regulatory Commission. "Agreement states" are those that assume full regulatory responsibility for the handling, licensing, and disposal of certain radioactive wastes. "Agreement states" must duplicate the applicable functions and expertise of the staff in the Nuclear Regulatory Commission's source materials division. This is expensive. Arizona tried "agreement status," then backed out in February, 1980, after finding it did not have the financial capability to meet the federal standards. New Mexico had a staff of two people for this purpose around 1976. Now New Mexico has a staff of about twenty people in the \$15,000 to \$50,000 salary range and is still understaffed. Add office and laboratory facilities and other processing activities and Montana is facing a potential million dollar budget with no guarantee the job can be done properly.

Voting against LR-89 would leave Initiative 84 intact, requiring only that the health department measure radioactivity in the mill waste to be sure it is below the standard which defines radioactive material. Again, mine waste is not banned or even regulated by Initiative 84, our existing law. Please vote against LR-89.

s/Paul F. Boylan, Chairman
Joe Brand
Edward M. Dobson

REBUTTAL OF ARGUMENT FOR LEGISLATIVE REFERENDUM NO. 89

Anyone who says it isn't economical to mine uranium and ship the ore hasn't followed what is happening in Arizona. There, in spite of a very poor market, about twenty-five 26-ton loads of uranium ore per day are trucked over 300 miles from the Hack Canyon area to Blanding, Utah. However, uranium and thorium mill tailings can be disposed of in Montana under existing law if the radium is also removed.

The argument that Montana is losing jobs, capital investment, and tax revenue is misleading. The uranium industry is expanding in very few places. Thousands of jobs have been lost in Wyoming due to industry over-expansion and low demand, and Wyoming has no law like Initiative 84. Montana is fortunate that there is no uranium industry here now because we already have too many layoffs in other industries.

If we establish the regulatory framework proposed by Referendum 89 and expect license and permit fees to foot the entire bill, how soon will we hear calls for relief from regulatory expenses and enforcement? - And who pays for perpetual waste monitoring when milling is finished?

The ban on waste from outside Montana is unconstitutional. Including such a vulnerable misapplication of the law within Referendum 89 threatens our entire radioactive waste ban. The courts may find that the other protections cannot properly be separated from the intent of the unconstitutional clause.

No, we must not approved Referendum 89.

s/Paul F. Boylan, Chairman
Joe Brand
Edward M. Dobson

REBUTTAL OF ARGUMENT AGAINST REFERENDUM NO. 89

Those advocating rejection of LR-89 seem to be confused in their arguments against LR-89 and for I-84 (1980). Don't you be confused.

LR-89 does not repeal I-84, but it does modify it to the extent that mining operations can be conducted safely and economically, and the mill tailings properly disposed of nearby. Most of the regulating provisions of I-84 are still there for the protection of the public.

LR-89 does not establish a costly new regulatory system. It is specified therein that the operators pay license fees and annual fees to cover the cost of supervision by the state. The taxpayer does not pay for it.

If mining is possible under I-84, as they argue, why isn't there any exploration or mining in the state? Simply, because the current regulations are prohibitive. The uranium deposits are not vast, but some exploration and mining will provide some good paying jobs.

Don't be fooled by those who would try to convince you with a bunch of frightening phrases that it isn't safe. The Montana State Director of the Bureau of Mines stated in a recent (1982) study entitled "Nuclear Fuel and Atomic Energy in Montana" that there is much misinformation about nuclear fuels extraction and that the public can be protected by adequate regulation; that the economics of extracting domestic uranium ores are not now favorable; and that reasonable and effective safeguards are a practical goal.

We think LR-89 is a practical and safe procedural program. You can vote for it.

s/Thomas F. Keating, Chairman
Thomas R. Conroy
Henry E. Reed

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

LEGISLATIVE REFERENDUM NO. 89

AN ACT REFERRED BY THE LEGISLATURE

Attorney General's Explanatory Statement

The legislature submitted this proposal for a vote. It would amend the initiative passed by the voters in 1980 concerning the disposal of certain radioactive materials. This proposal would allow the disposal of some uranium and thorium mill tailings. The state would regulate the disposal of tailings, monitor the maintenance of disposal sites, and may charge fees for radiation control services. The state would also have authority to condemn radioactive waste disposal sites.

AN ACT TO REMOVE THE PROHIBITION OF DISPOSAL OF CERTAIN RADIOACTIVE MATERIALS IN THE STATE OF MONTANA ENACTED BY INITIATIVE 84 AND PROVIDING FOR A REGULATORY SYSTEM: PROVIDING FOR THE CONTROL AND CONDEMNATION OF LAND USED FOR DISPOSAL OF MILL TAILINGS FROM URANIUM AND THORIUM ORE PROCESSING; AND REVISING THE LAWS CONCERNING RADIATION CONTROL; AMENDING SECTIONS 75-3-102, 75-3-103, 75-3-104, 75-3-201, 75-3-202, 75-3-303, 75-30-102, MCA, AND SECTION 1 OF INITIATIVE 84; PROVIDING AN EFFECTIVE DATE: AND PROVIDING FOR A REFERENDUM.

FISCAL NOTE

THE COST OF ADMINISTERING THE RADIOACTIVE MATERIALS PROGRAM WILL BE \$41,600 IN FISCAL YEAR 1984 AND \$58,872 IN FISCAL YEAR 1985. THE COST OF OPERATION OF THE PROJECT AFTER FISCAL YEAR 1985 WILL BE FUNDED FROM LICENSE FEES.

- ☐ FOR allowing disposal in Montana of uranium mill tailings as an exception to the ban on disposal of radioactive waste and providing a regulatory system.
- ☐ AGAINST allowing disposal in Montana of uranium mill tailings as an exception to the ban on disposal of radioactive waste and providing a regulatory system.



INITIATIVE NO. 91

Attorney General's Explanatory Statement

This initiative would declare that the people of Montana are opposed to the placement of MX missiles in this state. It also expresses opposition to further testing, development or deployment of nuclear weapons by any nation. Passage of this initiative is an expression of the opinion of the voters in Montana and would have no legal effect.

Be It Enacted By The People Of Montana:

Section 1. Declaration of policy. It is hereby declared that the people of Montana are opposed to:

- 1) the placement of MX missiles in Montana; and
- 2) any further testing, development, or deployment of nuclear weapons by any nation.

Section 2. Conveyance to national authorities. The Secretary of State of the State of Montana is hereby directed to immediately convey a copy of this initiative to the Congress and the President of the United States of America.

Section 3. Effective date. This initiative is effective January 1, 1983.

☐ FOR the initiative — I oppose the placement of MX missiles in Montana and the further testing, development or deployment of nuclear weapons by any nation.

☐ AGAINST the initiative — I do not oppose the placement of MX missiles in Montana and the further testing, development or deployment of nuclear weapons by any nation.

ARGUMENT FOR INITIATIVE NO. 91

It is with a deep sense of stewardship for this land and respect for all living things that we advocate the approval of Initiative 91. It is with an equally deep sense of conviction, alarm and sadness that we as conscientious citizens of these United States of America recognize our right and duty to speak directly to an issue which has captured our utmost concern: The further testing, development or deployment of nuclear weapons by any nation; more specifically, the placement of the MX missile system in Montana.

The nuclear arms race has transcended the bounds of decency; it is an evil that can no longer be allowed to have its will if we are to survive as civilized and thinking human beings.

The MX missile system which may be placed in Montana poses significant and severe negative consequences for the people of this state morally, economically, environmentally and socially and yet Montanans have been offered an insignificant role in the MX decision-making process.

The strategic implications of the MX missile system are awesome. A massive nuclear weapons system designed with first-strike offensive capability, the MX not only invites a massive and equally undesirable response from potential adversaries — it demands it. Common sense tells us not to add fuel to a fire that needs to be put out. The MX has the potential to ignite an unstoppable nuclear arms race.

The many billions of tax dollars about to be spent on the development and deployment of the MX and other nuclear weapons systems have a direct and adverse impact on Montanans through the creation of more inflation, higher taxes and further decreases in the civilian budget. This money should instead be channeled into areas far more beneficial in creating long-term productive jobs for Montanans and for the economy of the United States as a whole.

Every major religious denomination in Montana has publicly opposed deployment of the MX missile system, as have many thousands of individuals and many groups and public bodies in this state: Montanans have judged the MX to be immoral. With the placement of the MX in Montana, we would look forward to the gross misuse of our fields, our roads and highways, our water, our power, our resources, our money, ourselves. We would surrender ourselves to a destiny beyond our control.

With the approval of Initiative 91, Montanans as a unified electorate for the first time have the capacity to send a clear message to the leaders of this nation and to the people of this world: That the further testing, development or deployment of nuclear weapons by any nation is done without our consent and that we specifically object to the misuse of Montana's resources for the placement of the MX.

Montanans pride themselves on their common sense and their independence. The MX missile system and the further testing, development or deployment of nuclear weapons are an affront to both.

s/Christine Torgrimson, Chairman
John McNamer
Diane Waddell

ARGUMENT AGAINST INITIATIVE NO. 91

Every American would like to see an end to the threat of nuclear war. Montanans have the right to consider, question and disagree with our national defense program but as one of the 50 states of the Union do we have the expertise necessary to make final decisions on national defense? Do we have the constitutional right to isolate ourselves from the national defense program which the majority of our elected leaders from both political parties determined necessary for future national defense?

The nuclear superiority which this nation held for many years is gone. If the Soviet Union were not what it is today, the world would not fear a nuclear holocaust. There was no fear when the United States alone held the secrets. The Soviet Union has fielded powerful strategic forces which have shifted the balance of power. This shift increases the chances for Soviet adventurism making arms reduction more difficult.

Deployment of the MX missile as a follow-on to the 20 year old Minuteman Missile is a major step in upgrading our strategic forces.

Montanans should oppose Initiative 91 because:

1. We will be inviting rather than preventing enemy aggression in our State if we don't continue to modernize our strategic defenses since Montana is in a geographically strategic location.
2. It will be a clear sign to the nation and to the Soviets that Montanans are willing to be part of the deterrent process which continues to prevent World War III.
3. If we position ourselves so we are incapable or by law unable to use or develop nuclear weapons, we would be unable to defend ourselves against the Communist block in conventional war and this would encourage Communist aggression.
4. The concept of deterrence which has prevented nuclear war for almost 40 years is not dependent on the U.S. and the Soviet Union having enough warheads to destroy each other, but on how the Soviet Union perceives our strength to survive an attack and retaliate. Any unilateral freeze or ban on our part signals to them a growing weakness in our resolve to remain strong and free.
5. However well intended, those now parading the "nuclear

freeze" are asking the Western world to stop further development of nuclear weapons unilaterally while there are no parades in the Soviet Union and no one expects the chants of the West to be heeded in the Kremlin.

6. While it would be ideal that all nations stop building nuclear arsenals, previous arms control treaties have shown that the Communists have considered arms treaties to be a means of carrying out their struggle against the West whereas the U.S. considers treaties a means of reducing that struggle.

Initiative 91 is an expression of opinion. Voting against it can give Montana voters a chance to reaffirm the fact that this state continues to support a strong national defense; one that will give our negotiators a chance to reach meaningful reductions in nuclear weapons on both sides.

s/Harold L. Dover, Chairman
Helen G. O'Connell
William Egan
Albert Cochrane

REBUTTAL OF ARGUMENT FOR INITIATIVE NO. 91

At press time, no Rebuttal of Argument For Initiative No. 91 had been filed.

REBUTTAL OF ARGUMENT AGAINST INITIATIVE NO. 91

Montanans not only have the right, but the moral responsibility to influence defense decisions that are virtually threatening our existence, and our children to come. Initiative

91 is not a final decision on national defense. It is rather a powerful expression of opinion which must be conveyed to federal decisionmakers.

A strong national defense in an aggressive world is necessary, but in the nuclear age there is no longer defense — there is only aggression or retaliation. Rather than defend ourselves anymore, we can only threaten equal or greater devastation. The nature of war has radically changed in this nuclear age — it is no longer war, but a mutual suicide pact. Moreover, the MX and other first-strike nuclear weapons would exponentially increase international tensions and irrationality. This new generation of weapons leads us toward rather than away from the edge of nuclear disaster.

Neither the U.S. nor the U.S.S.R. has a substantial margin of nuclear superiority. A crude numerical equality has developed between the superpowers, although the U.S. currently has more warheads. And such talk is rendered absurd, given the gruesome overkill potential of mutual destruction 20 to 40 times over. The continuing preparation for a holocaust of such immensity is a crime against God and humanity itself and must be condemned firmly and without hesitation.

Initiative 91 is a plea from the people to stop this accelerating madness — not unilaterally, but in all countries possessing nuclear weapons. A vote for Initiative 91 is a vote for the future.

s/Christine Torgimson, Chairman
John McNamer
Diane Waddell

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

INITIATIVE NO. 91

A LAW PROPOSED BY INITIATIVE PETITION

THIS INITIATIVE WOULD DECLARE THAT THE PEOPLE OF MONTANA ARE OPPOSED TO THE PLACEMENT OF MX MISSILES IN THIS STATE. IT ALSO EXPRESSES OPPOSITION TO FURTHER TESTING, DEVELOPMENT, OR DEPLOYMENT OF NUCLEAR WEAPONS BY ANY NATION. PASSAGE OF THIS INITIATIVE IS AN EXPRESSION OF THE OPINION OF THE VOTERS IN MONTANA AND WOULD HAVE NO LEGAL EFFECT.

- ☐ FOR the initiative — I oppose the placement of MX missiles in Montana and the further testing, development or deployment of nuclear weapons by any nation.
- ☐ AGAINST the initiative — I do not oppose the placement of MX missiles in Montana and the further testing, development or deployment of nuclear weapons by any nation.



INITIATIVE NO. 92

Attorney General's Explanatory Statement

This initiative would expand authorized gambling in Montana, and create a State Gaming Commission. It would allow blackjack; punchboards; and electronic or mechanical gambling devices that simulate card games, bingo or keno. Bingo and keno payoffs could be made in cash. The State Gaming Commission would license and regulate all authorized gambling in Montana including the manufacture, sale and approval of gambling devices. The Commission would set prize limits for all games. Local governments could assess fees or taxes on gambling establishments, tables and devices. Operation of a gambling establishment without a license would be a felony.

Fiscal Note

The initiative provides that revenue generated by fees on gambling establishments, distributors and manufacturers would fund the operation of a State Gaming Commission, which would cost approximately \$600,000 each year. Local governments could also assess specified fees and taxes on gambling establishments. It is not possible to estimate those revenues.

- ☐ FOR — expansion of authorized gambling to include blackjack, punchboards and certain electronic or mechanical gambling devices, and creation of a State Gaming Commission.
- ☐ AGAINST — expansion of authorized gambling to include blackjack, punchboards and certain electronic or mechanical gambling devices, and creation of a State Gaming Commission.

Section 1. State policy concerning gaming. (1) The people declare to be the public policy of this state, that:

(a) Regulation of legalized gambling in Montana has been inconsistent from county to county and should be consistent throughout the state.

(b) The development of casino-type gambling with slot machines, roulette wheels, and craps tables is not appropriate for Montana and should be kept out of the state; however, a small expansion of the forms of licensed gambling, under firm state control, can ease the financial burden of local governments.

(c) Successful regulation of the gaming industry is dependent upon public confidence and trust that licensed gambling is conducted honestly and competitively and that the gaming industry is free from criminal and corruptive elements.

(d) Public confidence and trust can only be maintained by strict regulation of all persons, locations, practices, associations, and activities related to the operation of licensed gaming establishments and the manufacture or distribution of gambling devices and equipment.

(e) All establishments where gaming is conducted and where gambling devices are operated, and manufacturers, sellers and distributors of certain gambling devices and equipment in the state shall therefore be licensed, controlled, and assisted to protect the public health, safety, morals, good order, and general welfare of the inhabitants of the state, to foster the stability and success of the gaming industry, and to preserve the policies of free competition of the state of Montana.

(2) No applicant for a license or other affirmative commission approval has any right to a license or the granting of the approval sought. Any license issued or other commission approval granted pursuant to the provisions of this chapter is a revocable privilege, and no holder acquires any vested right therein or thereunder.

Section 2. Definitions. As used in this chapter, (1) "applicant" means either a corporation whose shares are publicly traded in a recognized stock exchange, a for-profit corporation and each of its stockholders, a non-profit corporation, a partnership and each of its partners, general or limited, a joint venture and each of its venturers, or an individual.

(2) "commission" means the gaming commission.

(3) "gambling device" means a punch board or pull tab, an electronic or mechanical device which simulates the play of an authorized card game with playing cards, or of a bingo game.

(4) "live action" means non-electronic, and with reference to bingo, means a form of play in which the numbers are called or posted by an employee or agent of the licensee.

Section 3. Gaming Commission — membership — quasi-judicial board.

(1) There is created a gaming commission.

(2) The commission consists of five members.

(3) The governor must appoint the members, as provided under 2-15-124. The governor may only appoint members whose names have been submitted to the attorney general and who have been certified by the attorney general as qualified under the provisions of section 4.

(4) The term of three of the initial appointees is two years.

(5) The commission is allocated to the division of gaming for administrative purposes only as prescribed in 2-15-121.

(6) The commission is designated as a quasi-judicial board for purposes of 2-15-124.

Section 4. Qualifications — restrictions. (1) The chairman of the commission must have had at least five years of responsible administrative experience in public or business administration or possess broad management skills. He is a full-time salaried officer of the state.

(2) One member of the commission must be a certified public accountant or a licensed public accountant with five years of progressively responsible experience in general accounting.

(3) One member of the commission must have five years experience in the field of gaming as a managing owner or manager of a gaming establishment.

(4) One member of the commission must have five years experience in the field of manufacturing or marketing gaming devices.

(5) One member of the commission must be experienced in the field of investigation, law enforcement, or law. The provisions of 2-15-124(1) regarding an attorney do not apply.

(6) No member of the legislature or person holding any elective office in state or local government may be appointed to the commission.

(7) A member may hold no pecuniary interest in any business or organization holding a gaming license under this chapter or doing business with any person or organization licensed under this chapter.

(8) Before entering upon the duties of his office, each member must subscribe to the constitutional oath of office and, in addition, swear that he is not pecuniarily interested in any business or organization holding a gaming license or doing business with any such person or organization. The oath of office must be filed in the office of the secretary of state.

Section 5. Division of gaming — head. (1) There is a division of gaming within the Department of Justice. The division head is the chairman of the gaming commission.

(2) The division is allocated to the department for administrative purposes only as prescribed in 2-15-121. However, the division may hire its own personnel and 2-15-121(2)(d) does not apply.

Section 6. Powers and duties of division and commission.

(1) The division of gaming and the gaming commission shall administer the provisions of this chapter with respect to gambling establishment licenses and manufacturer's and distributor's licenses. They must administer them for the protection of the public and in the public interest in accordance with the policy of this state.

(2) The division must investigate the qualifications of each applicant under this chapter before any license is issued or any registration, finding of suitability, or approval of acts or transactions for which commission approval is required or permission is granted, and must continue to observe the conduct of all licenses and other persons having a material involvement directly or indirectly with a licensed gaming operation or registered holding company by unqualified or disqualified persons, unsuitable persons, or persons whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places or locations. The division may recommend the denial of any application, the limitation, conditioning or restriction of any license, registration, finding of suitability, or approval, the suspension or revocation of any license, registration, finding of suitability, or approval or the imposition of a fine upon any person licensed, registered, found suitable, or approved for any cause deemed reasonable by the board. The commission may deny any application or limit, restrict, revoke, or suspend any license, registration, finding of suitability, or approval, or fine any person licensed, registered, found suitable, or approved, for any cause deemed reasonable by the commission.

(3) The division and the commission and their agents may:

(a) inspect and examine all premises in which gaming is conducted or gambling devices or equipment are manufactured, sold, or distributed;

(b) inspect or test all equipment, devices, and supplies in, upon, or about such premises.

Section 7. Rules — contents — adoption. (1) The commission may from time to time, adopt, amend, or repeal rules, consistent with the policy, objectives, and purposes of this chapter as it deems necessary or desirable in the public interest in carrying out the policy and provisions of this chapter. The rules must be adopted in accordance with the Montana Administrative Procedure Act.

(2) The rules may, without limiting the general powers conferred in this chapter, include the following:

(a) prescribe the qualifications for a gaming license and for a manufacturer's, or distributor's license;

(b) prescribe the method and form of application which any applicant for a gaming license, or for a manufacturer's, or distributor's license must follow and complete prior to consideration of his application by the division;

(c) prescribe the information to be furnished by any applicant or licensee concerning its' antecedents, habits, character, associates, criminal record, business activities, and financial affairs, past or present;

(d) require fingerprinting or other method of identification of an applicant or licensee or employee of a licensee;

(e) require any applicant to pay all or any part of the fees and

costs of investigation of such applicant as may be determined by the division;

(f) prescribe the manner and method of collection and payment of fees and issuance of licenses;

(g) define and limit the area, games, and devices permitted and the method of operation of such games and devices for the purposes of this chapter, including bet and payout limits;

(h) prescribe under which conditions the nonpayment of a gambling debt by a licensee is grounds for revocation or suspension of his license;

(i) govern the manufacture, sale, and distribution of gambling devices and equipment.

Section 8. Licensing of gambling establishments. (1) The commission may issue licenses to operate gambling establishments to applicants who demonstrate the necessary qualifications for such a license, as set forth in rules the commission shall adopt. In promulgating establishment license rules the commission shall require that:

(a) an applicant's or its managing principal's past record and present status in business and as a citizen demonstrate that he is likely to operate his establishment on a financially sound basis and in compliance with all applicable laws and regulations;

(b) an applicant or his managing principals be over the age of 19 and have established residency in the State of Montana for a sufficient time to have established a reputation for the qualities required in the preceding sentence;

(c) the premises proposed for licensing are on regular police beats or sheriff patrols and can be properly policed by local authorities;

(d) minors will be effectively excluded from so much of the premises as is used for gambling.

(2) Applicants for licenses, including owners and operators, may be required by the commission to have their fingerprints taken for use in determining eligibility for licensure.

(3) The premises of a licensed gambling establishment may also be used for other lawful businesses, but may not be used for any form of gambling not made lawful in this chapter and regulated by the commission.

(4) The commission shall establish rules for the registration or informal licensure of recognized and established senior citizen organizations, churches, and community-wide civic events such as rodeos and fairs, for the playing of live-action bingo. Applicants qualifying under these criteria may be licensed or registered for an annual fee, for the conduct of periodic or irregular live-action bingo or keno games.

Section 9. Limitation on tables and devices in gambling establishments.

A licensed gambling establishment may not maintain more than 7 tables and 10 electronic or mechanical devices, used for the play of approved card games, bingo. An applicant or licensee may not hold controlling or substantial interest, as defined by commission rule, in more than one license.

Section 10. Approval of gambling devices. (1) A person may not sell, offer to sell, assemble, manufacture, or otherwise trade in an electronic or mechanical gambling device unless the device is of a type approved by the commission for use in licensed gambling establishments.

(2) The commission may approve upon application various types of electronic or mechanical gambling devices for use in this state. Before approving a device the commission must find that it:

(a) is designed to play only games permitted under this chapter;

(b) is registered with the attorney general of the United States;

(c) can be played in accordance with all applicable rules of the commission, including those rules relating to payout percentages.

(3) A commission decision on an application for approval of a device must be made after notice and opportunity for a contested case hearing under the Montana Administrative Procedure Act, and is subject to judicial review as provided in that act.

(4) Each device approved by the commission for use in this state is exempt from the provisions of Title 15, United States Code, section 1172, or that section as it may be amended or

renumbered. To this extent, the State of Montana is exempt from the provisions of the foregoing section of federal law.

Section 11. Licensing of gambling device distributors. (1) A person may not sell or otherwise distribute an approved gambling device to a licensed gambling establishment in this state unless he holds a distributor's license issued to him by the commission.

(2) A person may not purchase, lease, borrow, or otherwise acquire a gambling device for use in this state unless he acquires such device from a distributor licensed by the commission. Acquisition of gambling devices other than in the manner authorized by this action is grounds for revocation of an establishment license.

(3) The Commission shall make rules to establish qualifications for a distributor's license, consistent with the residency and age guidelines set forth in section 8 for licensing of gambling establishments. A license may be issued to an applicant who possesses these qualifications.

Section 12. Licensing of gambling device manufacturers. (1) A person, wherever located, may not manufacture or assemble a gambling device for use in this state unless he holds a manufacturer's license issued to him by the commission.

(2) The commission shall make rules to establish qualifications for a manufacturer's license, consistent with the policies of this chapter. The rules may require the registration of each sales or service representative of the manufacturer who works within this state.

Section 13. Fees — establishment and deposit. (1) Applicants for licenses or for approval of gambling devices must pay the commission a fee, set by a rule of the commission at a level sufficient to cover its investigative and administrative costs incurred on new applications.

(2) Annual fees for the issuance and renewal of licenses are payable to the commission as follows:

(a) for each gambling establishment, \$300.

(b) for each manufacturer or distributor, \$1,000.

(3) Renewal fees are due by June 30 of each year. The commission may accept late renewals for good cause and upon additional payment of a \$30 penalty for 30 days following June 30, then must revoke any license not renewed.

(4) The commission shall deposit all fees and penalties paid to it with the state treasurer, to be placed in an account in the earmarked revenue fund for the purpose of administering this chapter. The commission shall propose budgets for its operations within the funds available for appropriation in this account. Funds appropriated from this account by the legislature and not expended by the commission revert to the general fund.

Section 14. Local government fees and taxes. (1) Cities and towns may impose on licensed gambling establishments within their boundaries, and counties may impose on licensed gambling establishments located outside any city or town, annual fees not to exceed following limits:

(a) on each establishment, five-eighths of the annual fee charged by the commission;

(b) on each table used for the authorized card games of blackjack or poker, \$500;

(c) on each electronic device used for the authorized card games of blackjack or poker or for bingo or keno, \$300;

(d) on each live action bingo game, \$500;

(e) on the use of punchboards or pull-tabs, whether manual or mechanical, in an establishment, \$250 per establishment.

(2) Local governments may also enact and levy a daily use tax on each electronic device used for the authorized card games of blackjack or poker, or for bingo or keno, not to exceed one dollar per device per day and due not more frequently than once a month.

(3) Property taxes levied upon gambling devices and fixtures gambling establishments may not be levied upon a greater percentage of market value than is provided by law for other class nine property, or whatever class fixtures and equipment used in commercial establishments is assigned to.

(4) A city or a county may license dealers of card games, operators of bingo or keno games, and persons who service or repair gambling devices, and may charge a license fee. The commission shall adopt rules for license criteria and betting

license fees commensurate with the costs of administration of such licenses.

(5) No other taxation, licensing, or other revenue measure may be imposed upon gambling establishments by any county, city, or town.

Section 15. Section 23-5-103, MCA, is amended to read:

"23-5-103. Possession of gambling implements prohibited. Any person who has in his possession or under his control or who permits to be placed, maintained, or kept in any room, space, enclosure, or building owned, leased, or occupied by him or under his management or control any faro box, faro layout, roulette wheel, roulette table, crap table, ~~punchboard~~, or any machine or apparatus of any kind mentioned in 23-5-102 and not approved by the gaming commission is punishable by a fine of not less than \$100 or more than \$1,000 and may be imprisoned for not less than 3 months or more than 1 year in the discretion of the court provided that this section shall not apply to a public officer or to a person coming into possession thereof in or by reason of the performance of any official duty and holding the same to be disposed of according to law."

Section 16. Section 23-5-202, MCA, is amended to read:

"23-5-202. Application. This part shall not apply to the provisions of part 4 of this chapter, to punchboards or pull-tabs approved and regulated by the gaming commission, or to the giving away of cash or merchandise attendance prizes or premiums by public drawings at agricultural fairs or rodeo associations in this state, and the county fair commissioners of agricultural fairs or rodeo associations in this state may give away at such fairs cash merchandise attendance prizes or premiums by public drawings."

Section 17. Section 23-5-302, MCA, is amended to read:

"23-5-302. Definitions. As used in this part and unless the context requires otherwise, the following terms or phrases have the following meanings: (1) "Authorized card game" means any card game permitted by this part.

(2) "Card game" means any game played with cards or electronic devices which simulate cards for which the prize is money or any item of value."

Section 18. Section 23-5-311, MCA, is amended to read:

"23-5-311. Authorized card games. (1) It is unlawful for any person to conduct or participate in any card game or make any tables available for the playing of card games except those card games authorized by this part.

(2) The card games authorized by this part are and are limited to the card games known as blackjack or twenty-one, bridge, cribbage, hearts, panguingue, pinochle, pitch, rummy, whist, solo, and poker."

(3) It is unlawful to play blackjack in any form or any other authorized card game on an electronic or mechanical device, except in an establishment licensed by the commission.

Section 19. Section 23-5-312, MCA, is amended to read:

"23-5-312. Prizes not to exceed one hundred dollars limit set by commission. No prize for any individual game shall exceed a maximum value of \$100 to be set by the commission. Games shall not be combined in any manner so as to increase the value of the ultimate prize awarded."

Section 20. Section 23-5-314, MCA, is amended to read:

"23-5-314. Gambling on cash basis. (1) In every authorized card game the consideration paid for the chance to play shall be strictly cash or payee-approved check. Every participant must present the money with which he intends to play the game at the time the game is played. However, the host establishment may conduct and participate in an authorized card game as the house, and is not subject to this subsection. No check, credit card, note, IOU, or other evidence of indebtedness may be offered or accepted as part of the price of participating in a card game or as payment of a debt incurred therein.

(2) No action based on such a debt is maintainable in a court of this state."

Section 21. Section 23-5-402, MCA, is amended to read:

"23-5-402. Definitions. As used in this part, unless the context requires otherwise, the following terms or phrases shall have the following meanings: (1) "Game of chance" means the specific kind of game of chance commonly known as:

(a) "bingo", also known as "keno", in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random,

played in an establishment licensed by the commission.

(b) "raffles", which are conducted by drawing for prizes.

(2) "Equipment" means:

(a) with respect to bingo, the receptacle and numbered objects drawn from it, the master board upon which such objects are placed as drawn, the cards or sheets bearing numbers or other designations to be covered and the objects used to cover them, the boards or signs, however operated, used to announce or display the numbers or designations as they are drawn, public address system, and all other articles essential to the operation, conduct, and playing of bingo; or

(b) with respect to raffles, the implements, devices, and machines designed, intended, or used for the conduct of raffles and the identification of the winning number or unit and the ticket or other evidence of right to participate in raffles."

Section 22. Section 23-5-412, MCA, is amended to read:

"23-5-412. Bingo prizes. Bingo prizes ~~must~~ may be in tangible personal property ~~only and not or~~ in money, cash, stocks, bonds, evidences of indebtedness, or other intangible personal property and must not exceed the maximum value of \$100 as set by rule of the commission for each individual bingo award. The price for an individual bingo card shall ~~not exceed 50 cents~~ be set by the commission. It shall be unlawful to, ~~in any manner~~, combine any awards so as to increase the ultimate value of such award except as permitted under rules of the commission."

Section 23. Repealers. Sections 23-5-321, 23-5-322, 23-5-421, and 23-5-422, MCA, are repealed.

Section 24. Penalty. Any person who sells, leases or operates a form of gambling or device for gambling regulated by the commission, or who permits his premises to be used for gambling, except under license issued by the commission, commits a felony. On conviction thereof he shall be punished by a fine of not less than \$1,000 nor more than \$50,000, or by imprisonment not exceeding five years, or by both such fine and imprisonment. This penalty does not apply to raffles licensed by county commissioners under 23-5-413, to bingo games in churches, or to sports pools.

Section 25. 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.

Section 26. Effective dates — funding. (1) Sections 1 through 5 and 25 of this act are effective March 1, 1983. Section 6 through 24 of this act are effective October 1, 1983.

(2) The 1983 legislature is requested to appropriate sufficient moneys from the general fund to enable the state gaming commission to begin its operations and administration of this act, and to reimburse the general fund with a compensatory appropriation from the earmarked revenue account established under section 13 after sufficient funds are in that account.

Section 27. Existing local government licenses — transition. An establishment conducting gambling under license from a unit of local government on September 30, 1983 may continue to conduct such gambling until expiration of that license. The commission shall recognize such existing licenses as valid for the forms of gambling permitted thereunder and may not require separate licensure of these establishments before July 1, 1984. However, an establishment may not offer any form of gambling made lawful under this act without a state license from the commission.

Section 28. Codification Sections 3, 4, and 5 are to be codified in Title 2, MCA, and Sections 1, 2, 6 through 14, and 24 shall be codified in Title 23, Chapter 5, MCA.

ARGUMENT FOR INITIATIVE NO. 92

Initiative #92 proposes gambling of a specific, controlled nature, uniform throughout the state with the purpose of providing an industry besides agriculture, lumber, and mining. It is not about casinos, slot machines, or the bright lights of Las Vegas. It is about controlling gambling in a rational, uniform manner resulting in jobs for our citizens, revenue for our local governments, and an extra attraction for tourists.

Initiative #92 does provide for an expansion of gambling by legalizing blackjack. Also, it recognizes as legal and tax-

ble, punchboards, pulltabs, and electronic games such as are now found operating in Montana in a patchwork fashion. Blackjack is added to the legal games with an eye toward attracting tourists. Its drawing power is recognized by North Dakota and Alberta — both have recently legalized the game. South Dakota voters will soon consider legalization of the game.

Principally, I #92 is not for expansion. It is for control; control of the people who operate, distribute, or manufacture gambling devices; control of the money that can be wagered; control of the number of gambling devices permitted each operator.

Initiative #92 is for uniformity. Uniform application is essential to control gambling. To furnish the necessary control and uniformity, I #92 establishes a State Gaming Commission funded by a license fee on those directly involved. Interpretation of the law must rest with a central body. The State Gaming Commission would clearly state which games are legal within the strict limits established by the initiative.

A license may be issued to an applicant only after a thorough investigation of his entire background. Failure to meet Commission standards is cause for rejecting the application. Licenses are non-transferable and may be revoked by the Commission. Operation, distribution, or manufacture of gambling devices without a state license would be a felony punishable by fines of up to \$50,000 and/or five years in jail.

After obtaining a State Gaming License an operator would pay further business taxes to local government. Live-action games — blackjack, poker, keno, and bingo — and electronic games simulating authorized live-action games would pay an annual local fee of up to \$500 plus \$1.00 per device per day. The local law enforcement agency would enforce the gambling regulations issued by the Gaming Commission.

The impact on you, the voter and taxpayer, comes largely from the number of jobs gambling creates. In Fargo, North Dakota, nearly 1,000 people have jobs directly related to gambling. The people employed in gambling and related fields will pay taxes and spend money in the same places as you. Besides the jobs created, the extra money spent by tourists is re-invested in the economy by the operators; mostly independent, small businessmen who live and work in Montana; who put the majority of their profits back into Montana by hiring Montanans; by paying taxes and business fees; by shopping in the same stores you shop in.

Initiative #92 is for control and for a rational approach to gambling. ARE YOU?

s/Jack D. Snyder, Chairman
Vonnie Haeffner
Gail Sammons

ARGUMENT AGAINST INITIATIVE NO. 92

Montana should reject Initiative 92.

Montanans and their children will suffer if we have expanded gambling.

Initiative 92 will do exactly what it says on the ballot: EXPAND gambling. Montana, in effect will be a big time gambling state. For anybody who wants to gamble, plenty of opportunity exists right now. It will continue to exist. Montana does not need any expansion that includes casino games: blackjack, electronic and mechanical gambling devices, punchboards, etc.

The defeat of Initiative 92 will not remove present gambling. The passage of Initiative 92 will open it up.

The defeat of Initiative 92 will retain local control and local licensing authority. The passage of Initiative 92 will abolish local licensing authority and limit local ability to tax and charge fees.

The Initiative limits the state commission to fees sufficient to cover the cost of investigation and administrative costs incurred in processing "new applications" only. The cost of enforcement will fall on the local taxpayers, local property owners and local welfare rolls, not on the gambling establishments.

It is our contention that the other fees which would be allowed local government from gambling are insufficient to cover the local expenses of enforcement and other associated local government costs.

It is a common misconception that gambling will appeal to

tourists only. The fact is that gambling will adversely affect Montana families. "Nevada citizens gamble more than tourists. Accessibility turns people into gamblers. Three times more compulsive gamblers live in Nevada, and they gamble individually twice as much money as do people of other states." (Mario Puzo, Inside Las Vegas)

Today's families have enough stress without the added problems and anxieties that inevitably come with the betting and losing of family income. And far too often consideration for the family is ignored when gambling becomes compulsive for one or more family members.

A vote for Initiative 92 means a vote for a change in our Montana life-style. Gambling and crime go hand in hand. The chief of police of Atlantic City reports that his department has faced a 2000 percent increase in demand for its services since gambling was legalized in 1976. (THE PRESS, Atlantic City) The mob and organized crime have ignored Montana in large part until now. We don't want their interest and attention.

Montana should reject Initiative 92.

s/Bob Brown, Chairman
Carl Zabrocki
George Harper
Lester Loble, II
John Frankino

REBUTTAL OF ARGUMENT FOR INITIATIVE NO. 92

We can hardly say it better than the locally-elected chief law enforcement officials of Montana, the County Attorneys, speaking through their Montana County Attorneys Association:

CASINOS?

****while the purported policy of Initiative 92 is that casino gambling in Montana is not appropriate, in fact it specifically authorizes the creation of gambling casinos by authorizing casino games;****

EXPANSION?

****Initiative 92 purports to authorize only a small expansion of gambling in Montana, in reality it significantly enlarges the nature and scope of gambling activities in Montana;****

CONTROL?

****that while Initiative 92 calls for strict regulation of gambling, it fails to provide adequate and sufficient law enforcement resources for control and regulation;****

ENFORCEMENT?

****the enforcement provisions established by Initiative 92 to assure compliance with the gambling laws of the state of Montana are totally inadequate to protect the health, welfare and safety of the people of Montana;****

IMPACTS — JUST JOBS?

****experience in other states with expanded gambling similar to that proposed by Initiative 92 has clearly demonstrated that expanded gambling leads to an increased rate of crime, additional welfare burdens and associated family and domestic problems, all of which must be addressed by criminal justice and social welfare agencies;****

We agree with the Association's conclusion:

****that the Montana County Attorneys Association strongly opposes Initiative 92 which would significantly expand gambling activity in Montana.****

s/Bob Brown, Chairman
George Harper
Lester Loble II
John Frankino

REBUTTAL OF ARGUMENT AGAINST INITIATIVE NO. 92

The opposition statement of rejection relies on sensational statements and emotionalism with little regard for facts.

I #92 does not turn Montana into a "big time gambling state". Blackjack is the only added game that cannot be found in many Montana counties. I #92 settles the controversy surrounding electronic and mechanical devices by legalizing them throughout the state. There is no "etc.".

I #92 empowers cities and counties to assess business fees on gambling. A single business operating to the extent of the

initiative limitations would pay as much as \$7,000 in fees directly to its local government. The \$5 million collected in this manner more than offsets additional enforcement costs, particularly if expensive court battles to determine what gaming is legal will no longer be required.

We agree that today's families are under stress. Who isn't? Much of that stress comes from the lack of employment opportunities. I #92 will create 8,000 new jobs. That's nearly 20 percent of Montana's expected mid-winter unemployment. In Fargo, North Dakota—that state recently legalized blackjack—1,000 people were employed directly by gambling in the first

year. As for tourism, of course tourists are not the only gamblers, but it does draw them. In Fargo, hotel occupation was up 100 percent the first year.

Gambling has always been a part of the Montana life-style. The lopsided vote on the gambling section of Montana's 1972 Constitution reflects this. Montanans approved gambling overwhelmingly. It is time to fulfill that mandate. For control; for the future; for Initiative #92.

s/Jack D. Snyder, Chairman
Vonnie Haeffner
Gail Sammons

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

INITIATIVE NO. 92

A LAW PROPOSED BY INITIATIVE PETITION

Attorney General's Explanatory Statement

This initiative would expand authorized gambling in Montana and create a State Gaming Commission. It would allow blackjack; punchboards; and electronic or mechanical gambling devices that simulate card games, bingo or keno. Bingo and keno payoffs could be made in cash. The State Gaming Commission would license and regulate all authorized gambling in Montana including the manufacture, sale and approval of gambling devices. The Commission would set prize limits for all games. Local governments could assess fees or taxes on gambling establishments, tables and devices. Operation of a gambling establishment without a license would be a felony.

FISCAL NOTE

THE INITIATIVE PROVIDES THAT REVENUE GENERATED BY FEES ON GAMBLING ESTABLISHMENTS, DISTRIBUTORS AND MANUFACTURERS WOULD FUND THE OPERATION OF A STATE GAMING COMMISSION, WHICH WOULD COST APPROXIMATELY \$600,000 EACH YEAR. LOCAL GOVERNMENTS COULD ALSO ASSESS SPECIFIED FEES AND TAXES ON GAMBLING ESTABLISHMENTS. IT IS NOT POSSIBLE TO ESTIMATE THOSE REVENUES.

- ☐ FOR — expansion of authorized gambling to include blackjack, punchboards and certain electronic or mechanical gambling devices, and creation of a State Gaming Commission.
- ☐ AGAINST — expansion of authorized gambling to include blackjack, punchboards and certain electronic or mechanical gambling devices and creation of a State Gaming Commission.



INITIATIVE NO. 94

Attorney General's Explanatory Statement

This initiative would abolish the quota system for some beer and wine licenses. Businesses with sufficient kitchen and dining room equipment to sell meals to the public could apply for a license to sell beer and wine. The availability of those licenses would not be based on population. Establishments holding licenses under the present quota system would be entitled to a transferable credit on their state taxes for any loss in the fair market value of that license.

Fiscal Note

The transferable tax credit granted to current license holders would reduce state tax collections by approximately \$2-\$5 million over a five year period. The state would receive a revenue increase from the fees for new beer and wine licenses. The fees are generally \$400 per license.

- ☐ FOR abolishing the quota system on beer and wine licenses for restaurants and prepared food businesses.
- ☐ AGAINST abolishing the quota system on beer and wine licenses for restaurants and prepared food businesses.

BE IT ENACTED BY THE PEOPLE OF MONTANA:

NEW SECTION. Section 1. Licensing of a restaurant or prepared-food business. (1) A license to sell beer at retail may be issued by the department to any person, firm, or corporation approved by the department as fit and proper to sell beer if the department finds, on a satisfactory showing by the applicant, that the sale of beer would be supplementary to a restaurant or prepared-food business. For the purposes of this section, "restaurant or prepared-food business" means a business with adequate kitchen and dining room equipment to serve bonafide meals to the general public.

(2) A person, firm, or corporation holding a license issued under subsection (1) of this section may apply to the department under 16-4-105(2) for an amendment to the license permitting the holder to sell wine as well as beer.

(3) The number of licenses the department may issue under subsection (1) of this section is not limited by the quota restrictions of 16-4-105.

(4) A license issued under subsection (1) of this section is nontransferable, nonassignable, and expires automatically if the sale of beer or beer and wine ceases to be supplementary to a restaurant or prepared-food business.

Section 2. Section 16-4-106, MCA, is amended to read:

"16-4-106. Beer license transfers. Except as provided in [section 1], a transfer of any brewer's, beer wholesaler's, table wine distributor's, beer retailer's, or table wine retailer's license may be made on application to the department with the consent of the department, provided that the transferee qualifies under this code."

Section 3. Section 16-4-501, MCA, is amended to read:

"16-4-501. License and permit fees. (1) Each beer licensee shall pay to sell either beer or table wine only, or both beer and table wine, under the provisions of this code, shall pay an annual license fee as follows:

(a) each brewer, wherever located, whose product is sold or offered for sale within the state, \$500; for each storage depot, \$400;

(b) each beer wholesaler, \$400; each table wine distributor, \$400;

(c) each beer retailer, \$200; with a wine license amendment, an additional \$200;

(d) each restaurant or prepared-food business beer retailer, \$200; with a wine license amendment, an additional \$200;

(e) for a license to sell beer at retail for off-premises consumption only, the same as a retail beer license; for a license to sell table wine at retail for off-premises consumption only, either alone or in conjunction with beer, \$200;

(f) any unit of a nationally chartered veterans' organization, \$50.

(2) The permit fee under 16-4-301(1) is computed at the rate of \$15 a day for each day beer and table wine are sold at those events lasting 2 or more days but in no case be less than \$30.

(3) The permit fee under 16-4-301(2) is \$10 for the sale of beer and table wine only or \$20 for the sale of all alcoholic beverages.

(4) Passenger carrier licenses shall be issued upon payment by the applicant of an annual license fee in the sum of \$300.

(5) The annual license fee for a license to sell wine on the premises, when issued as an amendment to a beer-only license, is \$200.

(6) The annual fee for resort retail liquor licenses within a given resort area shall be \$2,000 for each license.

(7) Each licensee licensed under the quotas of 16-4-201 shall pay an annual license fee as follows:

(a) except as hereinafter provided, for each license outside of incorporated cities and incorporated towns or in incorporated cities and incorporated cities and incorporated towns with a population of less than 2,000, \$250 for a unit of a nationally chartered veterans' organization and \$400 for all other licensees;

(b) except as hereinafter provided, for each license in incorporated cities with a population of more than 2,000 and less than 5,000 or within a distance of 5 miles thereof, measured over the shortest public road or highway from the nearest entrance of the premises to be licensed to the nearest boundary of such city, \$350 for a unit of a nationally chartered veterans' organization and \$500 for all other licensees;

(c) except as hereinafter provided, for each license in incorporated cities with a population of more than 5,000 and less than 10,000 or within a distance of 5 miles thereof, measured over the shortest public road or highway from the nearest entrance of the premises to be licensed to the nearest boundary of such city, \$500 for a unit of a nationally chartered veterans' organization and \$650 for all other licensees;

(d) for each license in incorporated cities with a population of 10,000 or more or within a distance of 5 miles thereof, measured over the shortest public road or highway from the nearest entrance of the premises to be licensed to the nearest boundary of such city, \$650 for a unit of a nationally chartered veterans' organization and \$800 for all other licensees;

(e) the distance of 5 miles from the corporate limits of any incorporated cities and incorporated towns is measured over the shortest public road or highway from the nearest entrance of the premises to be licensed to the nearest boundary of such city or town; and where the premises of the applicant to be licensed are situated within 5 miles of the corporate boundaries of two or more incorporated towns of different populations, the license fee chargeable by the larger incorporated city or incorporated town applies and shall be paid by the applicant.

When the premises of the applicant to be licensed are situated within an incorporated town or incorporated city and any portion of the incorporated town or incorporated city is without a 5-mile limit, the license fee chargeable by the smaller incorporated town or incorporated city applies and shall be paid by the applicant.

(f) an applicant for the issuance of an original license to be located in areas described in subsection (d) of this subsection shall pay a one-time original license fee of \$20,000 for any such license issued. The one-time license fee of \$20,000 shall not apply to any transfer or renewal of a license duly issued prior to July 1, 1974. All licenses, however, are subject to the annual renewal fee.

(8) The fee for one all-beverage license to a public airport shall be \$800. This license is non-transferable.

(9) The license fees herein provided for are exclusive of and in addition to other license fees chargeable in Montana for the sale of alcoholic beverages."

NEW SECTION. Section 4. Retail beer and wine license credit. (1) A person or firm who holds a license to sell beer at retail or beer and wine at retail issued before November 1, 1982, under subsection (1) of 16-4-105 is entitled to a credit against the tax imposed by 15-30-103.

(2) The amount of the credit allowed under subsection (1) of this section is equal to the difference between the fair market value of the license on November 1, 1982, and the fair market value of the license on January 1, 1983. The fair market value of the license on November 1, 1982, must be determined without consideration of any affect the initiative exempting restaurants and prepared-food businesses from the retail beer license quota system may have had on the value.

(3) The taxpayer must determine the amount of the credit and enter the amount on the taxpayer's return in a manner prescribed by the department. The department may revise the amount claimed and examine records and persons pursuant to 15-30-145.

(4) If the holder of the license is a partnership, each partner may claim a proportional part of the credit.

(5) If the holder of the license is an electing small business corporation under 15-31-202, each shareholder may claim a proportional part of the credit.

NEW SECTION. Section 5. Limitation — carryover of unused credit. (1) The credit allowed under [section 4] for any taxable year of the taxpayer may not exceed the lesser of:

(a) one-quarter of the total credit allowable under [section 4] or transferred to the taxpayer under [sections 6 or 9]; or

(b) the taxpayer's tax liability for that year.

(2) Any portion of the credit not allowable under subsection (1) of this section is carried forward to each succeeding taxable year of the taxpayer.

NEW SECTION. Section 6. Transfer of credit — notice. (1) A person or firm entitled to a credit under [section 4] may, after giving notice to the department, transfer all or part of the credit to any person, firm, or corporation. The transferee-taxpayer may apply the credit against the tax imposed by 15-30-103 or 15-31-101, 15-31-121, and 15-31-122, subject to [sections 5 and 8].

(2) The notice required by subsection (1) of this section must include the following:

(a) name and address of the transferor and transferee;

(b) amount of the credit originally claimed by the transferor under [section 4];

(c) amount of the credit previously used against the transferor's tax liability;

(d) a copy of the agreement transferring the credit, including the amount of the credit transferred; and

(e) any other information required by the department.

NEW SECTION. Section 7. Corporate retail beer or beer and wine license credit. (1) A corporation that holds a license to sell beer at retail or beer and wine at retail issued before November 1, 1982, under subsection (1) of 16-4-105 is entitled to a credit against the taxes imposed by 15-31-101, 15-31-121, and 15-31-122.

(2) The amount of the credit allowed under subsection (1) of this section is equal to the difference between the fair market value of the license on November 1, 1982, and the fair market value of the license on January 1, 1983. The fair market value

of the license on November 1, 1982, must be determined without consideration of any affect the initiative exempting restaurants and prepared-food businesses from the retail beer license quota system may have had on the value.

(3) The taxpayer must determine the amount of the credit and enter the amount on the taxpayer's return in a manner prescribed by the department. The department may revise the amount claimed and examine records and persons pursuant to 15-31-503 and 15-31-505.

(4) A corporation engaged in a partnership that holds a license may claim a proportional part of the credit.

NEW SECTION. Section 8. Limitation — carryover of unused credit. (1) The credit allowed under [section 7] for any taxable year of the taxpayer may not exceed the lesser of:

(a) one-quarter of the total credit allowable under [section 7] or transferred to the taxpayer under [sections 6 or 9]; or
(b) the taxpayer's tax liability for that year.

(2) Any portion of the credit not allowed under subsection (1) of this section is carried forward to each succeeding taxable year of the taxpayer.

NEW SECTION. Section 9. Transfer of credit — notice. (1) A corporation entitled to a credit under [section 7] may, after giving notice to the department, transfer all or part of the credit to any person, firm, or corporation. The transferee-taxpayer may apply the credit against the tax imposed by 15-30-103 or 15-31-101, 15-31-121, and 15-31-122, subject to [sections 5 and 8].

(2) The notice required by subsection (1) of this section must include the following:

(a) name and address of the transferor and transferee;
(b) amount of the credit originally claimed by the transferor under [section 7];
(c) amount of the credit previously used against the transferor's tax liability;
(d) a copy of the agreement transferring the credit, including the amount of credit transferred; and
(e) any other information required by the department.

Section 10. Codification instruction. (1) Section 1 is intended to be codified as an integral part of Title 16, chapters 1 through 6, and the provisions of Title 16, chapters 1 through 6 apply to section 1.

(2) Sections 4, 5, and 6 are intended to be codified as an integral part of Title 15, chapter 30, and the provisions of Title 15, chapter 30, apply to sections 4, 5, and 6.

(3) Sections 7, 8, and 9 are intended to be codified as an integral part of Title 15, chapter 31, and the provisions of Title 15, chapter 31, apply to sections 7, 8, and 9.

Section 11. 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.

Section 12. Effective date — applicability. This act is effective January 1, 1983 and applies to tax years beginning after December 31, 1982.

ARGUMENT FOR INITIATIVE NO. 94

Montana law imposes a quota on the number of wine and beer licenses issued by the state. Because of this artificial shortage, these licenses cost up to \$40,000 in some areas, which is much more than most small or family-owned restaurants can afford. This initiative would abolish the quota on restaurant wine and beer licenses.

Certain types of restaurants, such as pizza parlors and gourmet restaurants, can't compete successfully without a wine and beer license; they either go broke or don't get established initially. Many restaurants around the state will fold if this initiative fails. But businesses aren't the only victim; consumers also suffer. They are denied the wide variety of innovative restaurants that would thrive in a market not restricted by the quota.

To solve these problems, this initiative would allow a restaurant that wanted to complement its menu with wine and beer to buy the necessary license for \$400. The license would be exempt from the quota. (Note: the initiative does not affect the quota placed on liquor licenses.) Of course many restaurants would not want to sell wine or beer. But the point of this

initiative is that individual restaurants should make that decision, not agencies in Helena.

Naturally it would be unfair to penalize someone who relied on the present system and invested money in an expensive wine and beer license. Thus the initiative offers a tax credit to current license holders for the decrease in the value of licenses caused by passage of this initiative. The state has estimated this tax credit will reduce revenue by less than \$1 million over each of five years, or less than one tenth of one percent of annual revenue. In reality the effect will even be smaller due to increased jobs in the restaurant industry and increased revenue from license fees.

The need for reform of the wine and beer quota became obvious last summer. Because of population increases, the state issued three new licenses; over thirty restaurants around the state submitted applications. In the ensuing legal battle these restaurants spent over \$100,000 on legal fees. In addition, the state had to pay for the legal proceedings, bad feelings were created among the restaurants, and finally consumers were hurt because many deserving restaurants were denied licenses.

A solution by the legislature appeared unlikely because in the past special interests have successfully stifled every attempt to loosen the quota. Consequently this initiative was drafted and sent to over 800 Montanans for comment, including representatives in the legislature, banking business, restaurant industry and bar owners. All suggestions were incorporated that furthered our goal of deregulating an unfair system in an equitable fashion.

Please, help free up Montana's economy and remove this unfair restriction imposed on restaurants and consumers. Vote YES on Initiative #94 to abolish the quota system on restaurant wine and beer licenses.

s/Duncan Scott
Gary Palm
Don Doig

ARGUMENT AGAINST INITIATIVE NO. 94

INITIATIVE 94 WILL COST YOU, THE TAXPAYERS OF THE STATE, IN EXCESS OF 30 MILLION DOLLARS.

The fiscal note indicates the tax credit authorized by the initiative, will cost the state up to 5 million dollars. This is unrealistically low. The owners of existing licenses have a valuable property right protected by law just like any other property owner. The initiative does not provide for just compensation. It only provides for a tax credit that must be used or sold within four years. The tax credit is questionable compensation to meet the test of just compensation because it has no value if the license owner cannot use the tax credit or sell it profitably within four years.

There is no shortage of access to beer and wine in Montana at this time. Any problems with existing distribution of wine and beer can be addressed by the legislature. There is no reason to spend 30 million dollars to fix something that does not need fixing.

s/J.D. Lynch, Charman
W. J. Fabrega
Donald W. Larson
Philip W. Strope

REBUTTAL OF ARGUMENT FOR INITIATIVE NO. 94

The proponents of Initiative 94 want to pass a law that will cost the people of this state a minimum of 5 million and possibly as much as 30 million tax dollars to make a wine and beer license available to certain pizza parlors and gourmet restaurants. We think the initiative would be a bad law because it would cost too much and would benefit too few people. The next legislature can deal with any problems in the wine and beer license law. We urge a no vote on Initiative 94 to save tax dollars.

s/J. D. Lynch, Chairman
W. J. Fabrega
Donald W. Larson
Philip W. Strope

REBUTTAL OF ARGUMENT AGAINST INITIATIVE NO. 94

Opponents raise four objections. Each can be easily refuted:

NO SHORTAGE OF LICENSES EXISTS

A quota by its very nature causes shortages. That's why the lucky recipient of a \$400 license under the current system can immediately sell it in some areas for \$40,000. Because of this shortage, Montana consumers are denied a wider variety of restaurants.

TAX CREDIT IS INSUFFICIENT COMPENSATION

Opponents argue the tax credit is insufficient compensation because it must be used within four years. In fact there is no such limitation. The tax credit may be carried forward indefinitely. Furthermore, if the current license holder can't use the tax credit, he may sell it to someone who can. So even poor license holders who normally wouldn't be helped by a tax credit are treated fairly.

COST OF TAX CREDIT

Opponents claim the tax credit will reduce revenue by \$30 million. This is ridiculous. After studying the initiative the Attorney General concluded revenue would be reduced \$2.5 million, and this is spread over at least 5 years, or less than \$1 million per year.

LEGISLATURE CAN SOLVE PROBLEM

It's doubtful the legislature will fix the problem. In the past bar-owner lobbyists have successfully prevented needed reform. To free up the system, voters have had to rely on initiatives, as in 1978 when they overwhelmingly supported an initiative to allow wine sales in grocery stores.

Please, help eliminate government-imposed monopolies and let free enterprise work: SUPPORT I-94.

s/Duncan Scott
Gary Palm
Don Doig

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

INITIATIVE 94

A LAW PROPOSED BY INITIATIVE PETITION

Attorney General's Explanatory Statement

This initiative would abolish the quota system for some beer and wine licenses. Businesses with sufficient kitchen and dining room equipment to sell meals to the public could apply for a license to sell beer and wine. The availability of those licenses would not be based on population. Establishments holding licenses under the present quota system would be entitled to a transferable credit on their state taxes for any loss in the fair market value of that license.

FISCAL NOTE

THE TRANSFERABLE TAX CREDIT GRANTED TO CURRENT LICENSE HOLDERS WOULD REDUCE STATE TAX COLLECTIONS BY APPROXIMATELY \$2 - 5 MILLION OVER A FIVE YEAR PERIOD. THE STATE WOULD RECEIVE A REVENUE INCREASE FROM THE FEES FOR NEW BEER AND WINE LICENSES. THE FEES ARE GENERALLY \$400 PER LICENSE.



FOR abolishing the quota system on beer and wine licenses for restaurants and prepared food businesses.



AGAINST abolishing the quota system on beer and wine licenses for restaurants and prepared food businesses.



INITIATIVE NO. 95

Attorney General's Explanatory Statement

Under this initiative the state would take one-fourth (25%) of all future deposits to the permanent coal tax trust and invest it in Montana's economy. The state would make no direct loans, but would emphasize investments in new or expanding enterprises.

The initiative would also create an economic development fund, using a portion of the interest from the coal tax trust. After determining how much interest to allocate to the economic development fund the legislature may spend money from the fund to support economic development in the state.

Fiscal Note

The amount invested in Montana economic development from the coal tax trust would increase each year to an estimated total of \$134.6 million by 1989. Projections have not been made beyond 1989. Such investment could reduce the amount of interest earned on the trust.

Be it enacted by the people of the State of Montana:

Section 1. Purpose of the coal tax trust fund. The people of Montana establish that the intent of the permanent coal tax trust fund, as created by Article IX, section 5 of the Montana Constitution, is:

(1) to compensate future generations for the loss of a valuable and depletable resource and to meet any economic, social, and environmental impacts caused by coal development not otherwise provided for by other coal tax sources; and
(2) to develop a stable, strong and diversified economy which meets the needs of Montana residents both now and in the future while maintaining and improving a clean and healthful environment as required by Article IX, section 1 of the Montana Constitution.

Section 2. Use of the coal tax trust fund for economic development. Objectives for investment of the permanent coal tax trust fund are to diversify, strengthen and stabilize the Montana economy and to increase Montana employment and business opportunities while maintaining and improving a clean and healthful environment.

Section 3. Investment of 25 percent of the coal tax trust fund in the Montana economy.

(1) Twenty-five percent of all revenue deposited after June 30, 1983 into the permanent coal tax trust fund established in section 17-6-203(5), MCA, shall be invested in the Montana economy with special emphasis on investments in new or expanding locally-owned enterprises.

(2) In determining the probable income to be derived from investment of this revenue, as required by section 17-6-201(1), MCA, the long-term benefit to the Montana economy shall be considered.

(3) The State may not use this revenue to make direct loans.

(4) The Legislature may provide additional procedures to implement this section.

Section 4. Establishment of a Montana economic development fund. A Montana economic development fund is created. A portion of the interest income from the permanent coal tax trust fund created in section 17-6-203(5), MCA, shall be deposited in the fund as determined by the Legislature. Monies, if any, appropriated by the Legislature from the Economic Development Fund shall be used only for programs consistent with the objectives in [Section 2].

Section 5. Severability. If 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.

Section 6. Effective date. This act shall be effective July 1, 1983.

☐ FOR investing part of the coal severance tax permanent trust fund in the Montana economy and creating a Montana economic development fund.

☐ AGAINST investing part of the coal severance tax permanent trust fund in the Montana economy and creating a Montana economic development fund.

ARGUMENT FOR INITIATIVE NO. 95

Montana money should be put to work in Montana. Initiative 95 would take a small but significant step in this direction. The first part of the Initiative would require that 25% of the future coal tax revenues deposited to the Coal Tax Constitutional Trust Fund must be invested in the Montana economy, primarily in new and expanding locally-owned enterprises.

One of the most critical elements necessary for economic growth is capital. When businesses expand or new businesses start, jobs are created. In either case, capital is required.

Montana controls over 1.2 billion dollars in state funds, one of the largest sources of capital in the United States. Yet almost all of this money (and especially the Coal Tax Constitutional Trust Fund) is sent out of state to help create jobs in other states and foreign countries.

The Board of Investments has had successful experience in investing in Montana mortgages (primarily FHA and VA guaranteed home mortgages), in certificates of deposit in Montana banks, and in debentures of Montana corporations. We believe Montana would benefit if more state money and particularly coal trust money were invested in this manner. Other investments that would benefit the Montana economy could be made without jeopardizing the safety of the principal.

The safety of the principal would not be compromised. The "prudent man" rule requiring the utmost care in making investments is expressly adopted in the text of the Initiative. The Board of Investments would, however, be permitted to invest at lower than maximum rates of interest if that investment will result in a concrete long-term benefit to the Montana economy.

The second part of the Initiative would create an Economic Development Fund out of the interest income from the coal trust fund. It would be used for strengthening, stabilizing, and diversifying the Montana economy. The amount of money to be placed in this fund and the specific uses of the fund would be determined by the legislature each session.

The following uses have been suggested for legislative consideration: 1.) promotion of economic development by the Department of Commerce including advertising for new firms to locate in Montana; 2.) training and retraining for the new jobs; 3.) tourism promotion; 4.) university research that will stimulate the growth of small businesses; 5.) stimulating housing construction; 6.) making industrial revenue-bond financing available to support loans to family farmers for farm acquisition and loans to small businesses; 7.) stimulating municipal construction by helping local governments sell municipal

bonds at lower interest rates; and 8.) encouraging the formation of equity and venture capital in Montana by the private sector through government incentives.

Passage of the Initiative could go a long way towards strengthening our economy in Montana and creating more job opportunities. It is farsighted to use our coal tax revenue to strengthen and diversify our economy to minimize the economic shock that will come when the coal is gone.

s/Daniel Kemmis
Thomas E. Towe
Bill Christiansen

ARGUMENT AGAINST INITIATIVE NO. 95

Initiative 95 should not be passed! It is ambiguous, contradictory, and probably unconstitutional. Precise reasons why it should not be passed are as follows:

1. It is discriminatory in favoring a few with lower-priced, lower-equity loans, thus providing unfair competition to business borrowing in the regular channels.
2. The Coal Tax Trust Fund was established to benefit future generations. I-95 uses the money now for high risk, speculative ventures.
3. It opens the door for direct loans by State Government, which then leads to the following problems:
 - a. It creates more bureaucracy.
 - b. There are no reality checks, as there are in a free market, and there is no profit motivation for efficiency.
 - c. It gives Government control of credit and wealth and results in political patronage.
4. I 95 violates the constitutionally mandated Board of Investments "Prudent Man Rule" and forces 25% of the fund into Montana investments of high risk nature.
5. It will promote irrational behavior on the part of borrowers as they try to qualify for lower interest, more favorable term loans.
6. Previous experience with such programs in Montana in 1915 resulted in a loss to the State of Montana.
7. It is a direct subsidy to a chosen few, at the expense of Montana Taxpayers, as these funds could instead be used to lower taxes, construction of roads or state buildings or other state projects, instead of unsound loans.
8. It is unrealistic to believe additional loans, or low priced loans, in themselves will stimulate business. Business needs markets, adequate cash flow, efficient management and quality labor to be successful.
9. The Initiative sponsors say it is purposefully "open ended"

and will be a mandate to the Legislature for implementation. In fact, the supporters can not determine how initiative 95 can be implemented in a non-political and fair manner.

10. This initiative is opposed by the Montana State Board of Investments, the Montana Chamber of Commerce and the Montana Bankers Association.

In conclusion, it should be noted the supporters of Initiative 95 are promoting a government controlled financial market place under the label of "economic democracy."

s/Harold C. Nelson, Chairman
Ken Nordtvedt
Robert Reiquam

REBUTTAL OF ARGUMENT FOR INITIATIVE NO. 95

At press time, no Rebuttal of the Argument For Initiative No. 95 had been filed.

REBUTTAL OF ARGUMENT AGAINST INITIATIVE NO. 95

The opponents of I-95, in their statement, betray the weakness of their arguments by resorting to untruths, half-truths, and innuendo. For example:

- 1.) We find no evidence of the Board of Investments being on record in opposition to I-95.
- 2.) The opponents say that I-95 "opens the door for direct

HOW THE ISSUE WILL APPEAR ON THE BALLOT:

INITIATIVE NO. 95

A LAW PROPOSED BY INITIATIVE PETITION

Attorney General's Explanatory Statement

Under this initiative the state would take one-fourth (25%) of all future deposits to the permanent coal tax trust and invest it in Montana's economy. The state would make no direct loans, but would emphasize investments in new or expanding enterprises.

The initiative would also create an economic development fund, using a portion of the interest from the coal tax trust. After determining how much interest to allocate to the economic development fund the legislature may spend money from the fund to support economic development in the state.

FISCAL NOTE

THE AMOUNT INVESTED IN MONTANA ECONOMIC DEVELOPMENT FROM THE COAL TAX TRUST WOULD INCREASE EACH YEAR TO AN ESTIMATED TOTAL OF \$134.6 MILLION BY 1989. PROJECTIONS HAVE NOT BEEN MADE BEYOND 1989. SUCH INVESTMENT COULD REDUCE THE AMOUNT OF INTEREST EARNED ON THE TRUST.

- ☐ FOR investing part of the coal severance tax permanent trust fund in the Montana economy and creating a Montana economic development fund.
- ☐ AGAINST investing part of the coal severance tax permanent trust fund in the Montana economy and creating a Montana economic development fund.
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NOTES:

loans by State Government." In fact, the Initiative very clearly and forcefully closes that door, with respect to the investment of the Trust Fund, with these words: "The State may not use this revenue to make direct loans."

3.) The opponents say that I-95 violates the "constitutionally mandated" prudent man rule. This is doubly untrue, since the prudent man rule is statutory, not constitutional, and in any event the Initiative specifically adopts, by reference to the statute, the prudent man rule.

4.) The Initiative requires that the money be safely invested, and all the opponents' language about "high risk" is nothing more than a scare tactic.

5.) It is the present system of investment which ignores future generations; we invest now for the highest monetary return we can get, and we spent that return. I-95 proposes to invest at a sometimes lower rate of return when that will lead to greater long-term benefits for the economy.

When high interest rates are causing Montana's family farms and small businesses to fail in record numbers, a part of the Coal Trust Fund should be made available for safe investments in Montana. As a traditionally capital short state we owe this much to all Montanans.

s/Daniel Kemmis
Bill Christiansen
Thomas E. Towe



U. S. SENATE



LARRY WILLIAMS

Republican

Kalispell, Montana

Age: 40, born Miles City, Montana; attended schools in Billings; B.Sc., Univ. of Oregon;

investment advisor & publisher;

wife's name Carla; four children;

co-sponsor tax indexing initiative, 1978, Republican candidate for U.S. Senate, 1978, co-sponsor Milk Price Initiative, 1982;

Issue most important: "Jobs, reduce foreign aid, less taxes, honest government that cares."

JOHN MELCHER

Democrat

Fort Washington, Md. & Forsyth, Montana

Age: 57, born Sioux City, Ia.; attended schools in So. Dak., Ia., Minn; D.V.M., Univ. of Ia.;

veterinarian;

wife's name Ruth, five children;

came to Montana in 1950;

served as Alderman & Mayor of Forsyth, State Rep. 1960-1962 & 1968-1969, State Senate 1962-1966; U.S. House of Rep. 1969-1976, U.S. Senate 1976-present.

Issue most important: "Lower interest rates, economic recovery, jobs, agriculture and small business."



LARRY DODGE

Libertarian

Helmville, Montana

Age: 39; born Oakland, Calif., attended Bay Area schools, Univ. of Montana; Ph.D, Brown Univ.;

owner/photographer of picture-postcard business;

single, three children by prior marriage;

came to Montana, 1961(-1964); returned to Montana 1967, returned to Montana 1971;

chair. for Upper Blackfoot Preservation Assn., member Environmental Info. Center, Northern Tier Info. Committee.

Issue most important: "Imminent economic catastrophe caused by years of special interest politics."



CONGRESSIONAL DISTRICT NO. 1 (WESTERN)

PAT WILLIAMS

Democrat

Manassas, Va.

Age: 44, born Helena, Montana; attended schools in Butte, Missoula, Missouri; B.Sc., Univ. of Denver; wife's name Carol, three children; public employee, teacher;

served in Montana House of Rep., 1967-1970; U.S. Congressman 1978-present; member, Reapportionment Commission, Montana Employment & Training Council.

"The single most important issue right now is jobs."



DON DOIG

Libertarian

Bozeman, Montana

Age: 32, born Bozeman, Montana; attended local schools, B.Sc., Montana State Univ., grad. work, Miami, Montana St. Univ.; writer and researcher;

single;

Chair., Montana Libertarian Party; member, Libertarian Free Trade Committee; Montana 'Clark for President' coordinator;

Issue most important: "Cutting back the size and power of the government."

BOB DAVIES

Republican

Bozeman, Montana

Age: 46, born Pittsburgh, Pa.; attended local schools, B.Sc., W. Va. Univ.;

property management administrator;

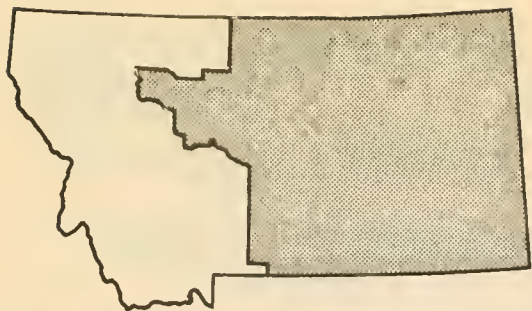
wife's name Kathy, two children;

came to Montana in 1966;

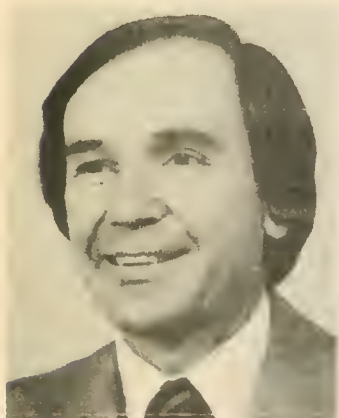
active in Cascade Co. Republican Party;

Issue most important: "Solving the economic problems that plague all Montanans."





CONGRESSIONAL DISTRICT NO. 2 (EASTERN)



WESTLEY F. DEITCHLER

Libertarian

Forsyth, Montana

Age: 40, born Forsyth, Montana; attended local schools; B.Sc., Montana State Univ.;

construction worker;

wife's name Karen, four children;

member, Libertarian National Committee, Council for a Competitive Economy;

Issue most important: "The use of force to achieve social and political goals."

RON MARLENEE

Republican

Scobey, Montana

Age: 47, born Scobey, Montana; attended local schools, Univ. of Montana, Montana State Univ.;

farmer—rancher;

wife's name Cynthia; three children;

U.S. Congressman, 1976-present;

Daniels Co. Republican Congressional Committeeman, active in Republican State Central Committee;

Issue most important: "Lowering interest rates - jobs - balanced budget have my full attention."



HOWARD F. LYMAN

Democrat

Great Falls, Montana

Age: 43, born Great Falls, Montana; attended local schools, B.Sc., Montana State Univ.;

rancher;

wife's name Willow Jeane, six children;

active in Melcher, Baucus and Schwinden campaigns, Democratic Central Committee, Cascade Co.

Issue most important: "Jobs."



CLERK OF SUPREME COURT

ETHEL M. HARRISON

Republican

Helena, Montana

Age: 62, born Alliance, Oh., attended local schools; B.A., Cleveland Institute of Art;

executive secretary;

widowed, two children;

served as Clerk of District Court and Deputy Clerk and Recorder, Lake County; precinct committeewoman, Lake County;

active in Lake County Republican Central Committee, serving as secretary and in Lake County Republican Women's Club;

Issue most important: "Modernizing the office for better, more personal service for you."



RICHARD T. CONBOY

Democrat

East Helena, Montana

Age: 51, born Scobey, Montana, attended local schools, B.A., Univ. of Montana;

deputy Supreme Court Clerk;

single;

Issue most important: "Which candidate has the experience and training to serve as Clerk."

LINDA DIANE HOFFMAN

Libertarian

Billings, Montana

Age: 34, born Billings, Montana; attended local schools including Eastern Montana College;

photography shop employee;

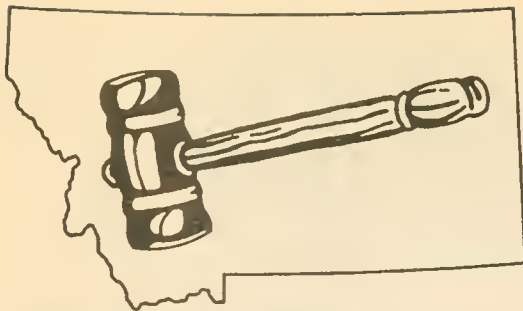
single;

returned to Montana 1980;

active in Montana Libertarian Party;

Issue most important: "Insure responsive management by making the Clerk court-appointed, not elected."





SUPREME COURT

POSITION 1



GENE B. DALY

Nonpartisan

Helena, Montana

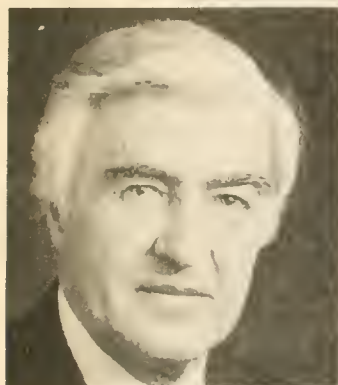
Age: 64, born Great Falls, Montana; attended local schools, J.D., Univ. of Montana;

attorney & justice;

wife's name Ruth, two children;

Cascade Co. Attorney; Great Falls City Attorney; President, Cascade Co. Democrats; President, Montana Young Democrats;

Issue most important: "To maintain the integrity and strength of the Supreme Court."



L. C. GULBRANDSON

Nonpartisan

Glendive, Montana

Age: 59, born Vida, (McCone County) Montana; attended schools in Minnesota, B.Sc. (Law), L.Lb., Univ. of Minnesota;

attorney and judge;

wife's name Wilma, one child;

returned to Montana 1952;

Issue most important: "Ending multiple appeals, and stopping release of criminals on technicalities."

POSITION 2

WALLACE NICHOLS CLARK

Nonpartisan

Candidate did not submit biographical statement or picture.



JOHN C. SHEEHY

Nonpartisan

Helena, Montana

Age: 64, born Butte, Montana; attended local schools, L.Lb., Univ. of Montana;

attorney and justice;

wife's name Rita Ann, eleven children;

State Representative, Yellowstone Co., State Senator, Yellowstone Co.;

Issue most important: "Hard work and legal know-how for equal justice."

Additional copies of the Voter Information Pamphlet
may be obtained upon request from your county election
administrator or the Secretary of State.

JIM WALTERMIRE
Secretary of State
Montana State Capitol
Helena, MT 59620

450,000 copies of this publication were produced
at a unit cost of 9.4¢ per copy, for a total cost of
\$42,250.00 which includes \$41,000.00 for printing
and \$1,250.00 for distribution.

