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Revenue and Finance Article Proposes Numerous Changes

Property Tax Limitation Is Taken Off

REVENUE AND FINANCE —
VIII

There are several changes which immediately become apparent when studying the proposed new Montana constitution and its article on revenue and taxation. There are others, including some important deletions, which are not so apparent but which are just as notable.

1. Now all property is taxable; the new provision allows the legislature to decide what property to tax and how to tax it.

2. Earmarking of certain types of revenue is eliminated.

3. The highway trust fund is reduced, its uses enlarged, and it could be eliminated entirely.

4. Prohibition of state aid to local governments is eliminated.

5. The two-mill limit on a property tax for state purposes is entirely eliminated.

6. The legislature, by a two-thirds vote, may bond the state.

7. The limit on local government debt is removed, but may be fixed by the legislature.

8. Property assessment and valuation is to be on a state-wide level; the board of equalization is not mentioned, but a state tax appeals board is created.

9. A unified state investment program, including local government funds, is supervised by the state.

10. The net proceeds tax on mineral production is deleted, raising a question about county revenue.

11. Time limitations on appropriations are eliminated.

We will discuss each in turn:

The traditional property tax exemptions for governmental and charitable property are retained, but the legislature is given power to exempt "any other classes of property." The present constitution exempts none. Some see exemption of household goods,

Study the Constitutional Issues

The full impact of the proposed constitution that will be voted on by the public, June 6, cannot be ascertained by the information being distributed by the Convention Voter Education Committee. Only when the new document is read in conjunction with the present constitution can the meaning be determined. Even then questions arise as to the meaning of some of the vague, obscure and philosophical terminology in the new document.

The people of the state will hear of the favorable aspects of the proposed constitution from the Voter Education Committee, members of the convention and such groups as the League of Women Voters. The entire story will not be told, however, and it is the objective of this report to analyze the new document in relation to the old constitution and in addition, to point out fiscal, taxation and other implications that are not readily apparent.

Had the convention been a little more deliberate in its work, recessing occasionally to take a second look and allow the people time to assess the development of the new document, there wouldn't be the hysterical need to get all the information out and studied by June 6. Now there are only a few short weeks until time for the decision by the voters, not nearly time enough to realize what enormous changes are possible.

During these intervening weeks, the people of the state will be subjected to the campaign of those wanting to "sell" the new constitution. They will not receive a balanced presentation of the pros and cons of the document.

Those who are not sure whether they approve or disapprove certain features of the new document will find that they cannot break it up and vote only for those portions that they favor. The convention made possible only three choices, unicameral legislature, gambling and capital punishment. While the delegates had the opportunity to change their minds, and took advantage of this opportunity many times, the voter will have no such choice. He must make up his mind before June 6, and, if he finds on June 7 that he has made a mistake there will be no second chance. It behooves each voter, therefore, to do his homework in advance.

One of the obvious defects is that there will not be time for public debate and open airing of the implications of the proposed constitution. Obviously, those in favor of the document have the cards stacked in their favor. They have planned a thirteen and one-half minute color sound movie and have printed a two-color official publication and either leaves much to be desired concerning the necessary information for a well-balanced approach to the revised constitution.

In final analysis it is up to each voter to size up the pros and cons in order to decide if the proposed constitution is right for Montana in the long run and deserves a "no" or a "yes" vote.

money in the bank and similar hard-to-assess items as an improvement. Others see this as a foot-in-the-door for special interest groups to secure tax favors. But there are no restrictions, the words being, "Taxes shall be levied by general law for public purposes."

Earmarking of a portion of the personal income tax and corpor-

ation license taxes for schools allowed faulty estimates and unsound financing. The elimination of earmarking means the legislature must appropriate a firm dollar amount for school purposes.

The present anti-diversion section of the constitution to finance highway construction is retained in name only. The revenue base is

(Continued on Page 3)

Budget Time Approaches At All Levels

While the last half of property taxes for 1971 will not be due until May 31, officials at all levels of government are at work on budgets for the coming fiscal year which will start July 1.

Budgets for county, city and schools will be adopted August 14, while spending plans for the state government will be made known at a later date, prior to the opening of the 1973 legislature.

With public schools and municipalities especially facing demands for salary increases, and the cost of county government going up, and with taxpayers demanding relief from escalating property tax rates, it is expected that taxing officials will face conflicts.

Total property taxes in Montana increased four per cent or \$7 million for the last fiscal year. County-purpose levies increased \$3.7 million, taxes for schools went up \$2.7 million, and levies for cities went up \$1.5 million, but state property taxes went down because the general two-mill levy was not imposed.

With the state general fund recording a \$4.6 million deficit for the last year, it is possible that the state will impose the two-mill property tax this year.

School budgets were allowed to increase four per cent a year for the past two years, making possible a higher school levy this fall. In addition, there will likely be a deluge of special levy requests.

Many of Montana's municipalities are already budgeting at the maximum allowed by law. This may put a damper on additional spending plans but it will increase the demand for a share of state revenue for cities.

Citizens are emphatically urged to participate in the budget-making process in local government, where budget hearings are provided by law.

School budgets will be open to inspection July 10 to 20.

On August 9 the county and city must hold public hearings on the budgets.

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Voter Must Study New Constitution

By JAMES H. MORROW,

President

Montana Taxpayers Association

The Board of Directors of the Montana Taxpayers' Association has determined that it is necessary to present to its members an unbiased, frank and objective study of the proposed new state constitution.

It believes that someone must do this, because it is obvious that most of the material circulated by the official convention staff and the explanations presented to the voters by order of the convention will necessarily present only the favorable side.

The crux of the issue is that while the delegates to the convention devoted their full time for weeks to the study of the proposed draft and had the assistance of scores of specialists, the voter is getting the document in such a short space of time before the decision must be made that he cannot possibly make an intelligent choice.

Accordingly, this issue of the Montana Taxpayer is devoted largely to an interpretation of the proposed document, article by article. We do not want our readers to decide their attitude solely on our interpretation, however. We ask that they study all the arguments presented and make up their own minds, because there are both good and bad features.



James H. Morrow

And remember that much of the new constitution is meaningless unless it is studied in relation to the present constitution.

Only three choices for decision on controversial issues are presented to the voters. Surely the average citizen is intelligent enough to make more. He may vote only on one-house vs. two-house legislature, on gambling and on capital punishment. There are many other controversial sections, any one of which might influence some voters to reject the whole document.

Annual sessions of the legislature might have been one of these because a session each year will sharply increase costs and enlarge the state government if the constitution is approved.

Unlimited property tax rates for state purposes are allowed in the new constitution and this creates the distinct danger of escalation, the possibility of fixing a property tax rate at the close of each session which is high enough to balance an otherwise impossible state budget.

Earmarking of some state revenue for solely educational purposes is discontinued, which is a step in the right direction.

Single-member districts for election of legislators will give a voice to agriculture and others who have been disfranchised by block voting in large districts.

Extension of the vote to 18-year-olds is meaningless, as Congress and the U.S. Supreme Court have already taken care of that.

The provision that not all prop-

(Continued on Page 3)

Where Is That Tax Limitation?

All tax limitations are off in the proposed Montana constitution. The legislature may go as high as it wishes in taxing property, incomes, corporation, commercial transactions, or anything else that its members believe is taxable.

But if you are studying the text of the proposed document and are looking for specific language to describe that new power, you will be disappointed.

The convention assigned that authority to the legislature by the simple expedient of deleting all previous limitations. For example, one provision in the present constitution says that the state may levy up to two mills on property. Also, for many years Montana voters have given the state power to levy up to six mills for higher education, and this has been voted on and re-enacted every ten years.

If the new constitution is adopted there are only two sections which refer to imposition of taxes. One says: "Taxes shall be levied by eliminating reference to particular kinds of revenue sources (such tax shall never be surrendered, suspended or contracted away.)"

What does this mean? The official explanation in the document distributed to voters says of the first: "Revises the 1889 constitution by eliminating reference to particular kinds of revenue sources (such as property taxes, license fees, and income taxes) and continues the legislative power to determine tax structure." The official explanation of the second section is "New section which limits the power to tax to government." A better definition would be that only government may levy taxes.

The rest of the Revenue and Taxation Article deals with a state system of valuations, highway revenue non-diversion, tax appeals, state debt (which may be created by the legislature), balanced budget, local government debt (the limitations on which are removed and left to the legislature), accountability for the use of public funds, investment of public funds, and method of appropriation.

No limit on taxation. No limit on spending. No limit on debt. State debt easier to create.

Result? The legislature simply spends what it pleases, accommodating every demand, then instructs the Department of Revenue to levy a property tax sufficient to balance the budget.

Why Two Houses Are Best

One of the side issues in the forthcoming constitutional election is whether to retain the present bicameral (two house) legislature or to adopt a unicameral assembly which is composed of only one house.

Arguments for the unicameral stress the greater ease with which legislation may be enacted without the handicap of requiring the bill to overcome objections that might be raised by another body, either house or senate.

On the other hand, experience in Montana and other states has shown that the best legislation is that which has a difficult passage through the legislative process in which it meets every kind of objection and thus is freed of the defects inherent in speedy procedure.

Nebraska is the only state with a unicameral system and it is doubtful that any of the delegates to the Montana convention had any opportunity to study that state legislature at first hand.

A recent press dispatch from Lincoln, Neb., reported that the unicameral system in that state is in trouble and is under attack from both Democrats and Republicans.

Governor J. J. Exon, a Democrat, was quoted as declaring that the recent unicameral legislature "abandoned the interest of the average Nebraskan with a host of spending measures. To say that I am displeased with the lack of fiscal responsibility by the majority of the legislature would be the understatement of the year."

The governor was not alone. He was supported by Republicans. For example, A. L. Ender, chairman of the Buffalo County Republican Central Committee, said that Governor Exon was right and that the legislators had a "juvenile" attitude. "The legislators seem almost childish in their lack of knowledge of economics and taxes," Ender said. He deplored the lack of checks and balances, pointing out that there is none except the veto.

Commenting on the attack on the unicameral system, the Lincoln Journal and Star said:

"There is reason for concern in the way the legislation is being pushed and shoved toward final passage with little apparent deliberation, the way bills are being sped on their way without even a public hearing, the way amendments on the floor totally change the original intent and sometimes the very subject of the bill."

The unicameral system needs much more perfection before Montana adopts it.

Voter Must Study New Constitution

(Continued from Page 2)
erty must be taxed is open to several interpretations. While it may allow exemption of hard-to-reach property, it may also let special interests seek unreasonable exemptions.

County and state boards of equalization are eliminated, but provision is made for an independent tax appeals board which must function locally as well as statewide.

Debt limits for local governments are eliminated, but they may be reimposed by the legislature. One danger could be in the marketing of local bond issues, the changing of debt limits from year to year and resulting high interest rates.

All water is the property of the state and existing water rights are confirmed. This was inserted in an effort to protect Montana water from being expropriated by other states.

Highway user revenue, now protected for use in highway construction, may be diverted for other purposes by a three-fifths vote of the legislature. Sources of such revenue are narrowed and its uses are broadened.

Appointment of judges to fill vacancies is at least partially taken out of the hands of the governor. A commission must screen candidates and make recommendations.

The initiative and referendum are retained.

The environmental sections will be subject to a great deal of litigation. One provision directs the state and each person to maintain a clean and healthful environment. Another section states that all persons are entitled to a clean and healthful environment.

The education section contains high-sounding but unclear language. Development of the full educational potential of each person is described as a goal. (Whatever that means.)

Income from school lands and investments may be distributed on a more equitable basis.

Elimination of restrictions on school ages opens the doors to kindergartens, which could add materially to the state tax burden and to the property tax load.

A triple board of education is created. One board will regulate public schools. One will regulate the University System. Combined, they will present a unified budget to the legislature for all education, thus removing much legislative control of the educational bureaucracy. As a result costs can be expected to increase.

A wide choice is given for the creation of local governmental units and an election is set in four years and every ten years thereafter on the kind of organization each unit wants.

A commission is created to rec-

ommend salary rates for elected state officers, judges and legislators.

These are but a few of the changes that will affect your life and the lives of others far in the future if the new constitution is adopted.

We urge you to study the proposed new constitution thoroughly and vote according to your conscience.

Revenue, Finance Article Has Numerous Changes

(Continued from Page 1)

narrowed by eliminating registration fees, and the spending area is broadened by allowing the money to be used for a wider range of purposes. Additionally, the entire trust fund could be raided and used for other purposes, such as welfare, public education or to balance the state budget, simply by a three-fifth vote of the legislature. This would eliminate matching funds and endanger the state's highway program.

State aid to local governments is now prohibited, even though loopholes have been created by diverting liquor taxes, gasoline taxes and the like to counties and cities. This prohibition is eliminated in the new constitution. This raises the question of the equity of taxing everyone for the benefit of those local governments that are operating inefficiently. This could turn into a subsidy for those refusing to assume their own tax burdens or to face their own responsibilities.

Perhaps the major objection to the new revenue section is its complete elimination of any limit on a state property tax. Now the state may levy two mills for emergency purposes and it levies six mills for higher education after the people have approved the levy at the polls each decade. Under the new proposition the legislature could tax property for any amount to support the university merely by a majority vote. It could levy a property tax of any amount for the public school foundation program. If there is an impasse over revenue, it would be simple to impose a state property tax to raise the revenue needed for any excessive spending project. The elimination of the limitation on property taxes was achieved by the simple expedient of not mentioning it at all. The constitution merely says: "Taxes shall be levied by general laws for public purposes." The explanation of this in the official text distributed to voters is as follows: "Revises 1889 constitution by eliminating references to particular kinds of revenue sources (such as property taxes, license fees, and income taxes) and con-

tinues the legislative power to determine tax structures."

Another dangerous proposal is that the legislature can create state debt by a two-thirds vote. Now only the people can bond the state for a sum over \$100,000. An ambitious governor who might control a one-house legislature, could inaugurate a lush give-away program, finance it by a property tax, and the people would be forced to pay the bill with no voice on the issue.

While the present constitution has debt limits for cities, counties and schools, the proposed constitution has no such limitation but merely allows the legislature to "limit the debts of counties, cities and towns and all other government entities." Thus, the limits could be changed arbitrarily from session to session, raising havoc with the bond market and the cost of local debt.

All reference to state and county boards of equalization are deleted and the state is required to assess, appraise and equalize the valuation of all taxable property. While an appeals procedure is set up and directed to work at the local level, this must be implemented by the legislature. But all valuations will be by state personnel in a state agency, including city and town property and all rural and agricultural lands. This usurps the present duties of the county assessor and the county commissioners.

The present constitution has detailed provisions on investments. The new document has briefed the language and the requirements and turned them over to the legislature. Investments of funds of local units of government will be controlled by the state.

The net proceeds tax is eliminated. This is levied on production of copper, oil, coal, gas and other minerals and now goes to counties. This deletion would allow the legislature to continue to levy such a tax and, if it wished, divert the revenue to the state. Counties and school districts would have to increase other property taxes to make up the loss. In 1970 some 39 counties collected taxes based on a valuation of \$90 million in mineral production.

The present constitution limits legislative appropriations to a period of two years so that each session may control only one biennium. There is no mention of this in the new document and this deletion would allow any session to obligate the state for a period of years, appropriating funds to be used far in the future and no basis evident for any reversal of such spending plans by any subsequent session. The imagination is the only limitation on creation and advance financing of dreamed-up facilities or institutions.

State governments will spend \$102 billion in fiscal 1972 and collect only \$96 billion in revenue.

New Method Of Filling Judicial Seats

JUDICIARY — ARTICLE VII

Methods of filling judicial vacancies is the most important change in the judiciary article of the new constitution.

In the past the governor has appointed judges to fill vacancies and these appointees have usually then been elected to permanent positions.

The new provision is that the governor must make an appointment from a list of nominees "selected in the manner provided by law." This means that the legislature must originate a plan for making nominations. Suggestions were that an independent committee would be set up to screen candidates and send the approved list to the governor. If the governor should fail to make an appointment then the chief justice of the supreme court would do so.

In either case the nominee would have to be confirmed by the senate. Appointees would be required to run for election at the first election following the appointment.

The three-level judicial system is retained in the new constitution, despite some efforts to eliminate justices of the peace.

Terms of members of the supreme court are extended to eight years; those of district judges will be six years. The legislature will fix terms of justices of the peace.

The supreme court may be enlarged to seven members by the legislature.

A judicial standards commission must be created by the legislature to investigate complaints against judges.

The clerk of the supreme court is omitted from the list of officers to be elected by the people.

Preamble Outlines Fundamentals Of Government

ARTICLE I

Montana's proposed new constitution contains a preamble and a compact with the United States, both preliminary to those articles which set forth the right of the people and outline the fundamentals of state and local government.

The preamble praises the scenic beauty of the state and asserts that the constitution is ordained in order to improve the quality of life and to secure the blessings of liberty for this and future generations.

Article I reaffirms that state's consent to provisions of the enabling act of Feb. 22, 1889, and agrees that Indian reservations shall remain under federal jurisdiction until revoked by consent of the United States and the people of Montana.

Many Changes Possible Under New Education Article

EDUCATION AND PUBLIC LANDS — X

The education and public lands article contains provisions for operating the public schools of Montana, its university system, and for guarding the public lands and the funds derived therefrom which partially finance the schools.

Some of the wording of the section is vague, general, unspecific, and undoubtedly will have to be interpreted by the court.

Thus in Section 1: "It is the goal of the people to establish a system of education which will develop the full educational potential of each person."

What does "full educational potential" mean? Does it mean that every person must stay in school as long as he is capable of learning something new? Does it mean that if "full educational potential" is achieved in the fifth grade, that child shall be discharged from the school system? Does it mean that the state will provide advanced degrees or a Ph.D. for every person with a certain I.Q. as provided by law?

What does "each person" mean? Does it mean that if the proposed constitution is passed, every adult in Montana capable of learning something new will be able to go back to school at state expense or that "each person" coming into the state who has not achieved his "full educational potential" could likewise enter the school system at some particular level at local and state expense?

Many people in the state feel that the present structure of public schools, plus six units in the university system, five vocational-technical institutions, and three community colleges is too expensive for the tax base on which it depends for support.

A subsection reads: "The state recognizes the distinct and unique cultural heritage of the American Indians and is committed in its educational goals to the preservation of their cultural integrity." Is this cementing discrimination into the constitution? Has it not become the aim of the nation to do away with racial distinctions instead of emphasize them? Does this mean that we must establish schools to teach the making of arrowheads, buckskin and beadwork? Or does it mean that all schools must institute courses in Indian history and culture? And if Indian, why not African, Chicano or Norwegian?

Subsection 3 provides that the legislature shall fund and distribute in an equitable manner to the school districts the state's share of the cost of the basic elementary and secondary school system. This is a retreat from an earlier proposal that the state be required to fund 100 per cent of the state's share of the school foundation program. Even this provision contains the potential of ob-

ligating the state for more than its revenue will produce. In fact, the current situation is that the state lacks \$5 million of funding the public schools for 1971-72. It appears that the new provision will not solve the old problem of allowing school spending to outdistance school revenue.

One improvement is elimination of language in the present constitution which requires distribution of income from school lands and trust funds on the basis of the school census based on the age group from six to 21. These funds may therefore be apportioned as is other school foundation program money.

However, elimination of the age six to 21 restriction open the door to state-subsidized kindergartens. There has been pressure on the legislature to add kindergartens to the school foundation program eligible to receive state funds, but heretofore the low limit of age six for school pupils prevented this. The new language could open the door for millions of dollars of additional state school aid with the resultant need for additional state revenue or else additional millions of state deficiency which must be made up by additional property taxes. Also it would mean additional local millions that must be spent for buildings to house kindergartens.

Retained in the new constitution is the prohibition against spending of any public money by any state or local agency for any sectarian institution. Added, however, is an exception which allows federal funds so designated to be distributed by the state.

Another new provision would seem to strengthen local control over schools and probably to reverse the trend toward greater state control. Section 8 says: "The supervision and control of schools in each district shall be vested in a board of trustees to be elected as provided by law."

Two boards of education, which may in reality become three boards, are created in the new constitution. This is a contradiction of the stand taken by the convention in many other provisions where creation of a board and outlining of its powers was left to the legislature.

The education article sets up a board of public education to exercise general supervision of the public school system. It also sets up a board of regents of higher education to operate the university system. The two boards together become the state board of education for long-range planning and coordination of the state's educational systems. Currently, there is one board wearing two hats, one as a state board of education and one as a board of regents.

The new plan creates the threat of two rival boards competing for the tax dollar, one seeking funds

for public education and one seeking funds for higher education. It is up to the legislature whether to align the vocational-technical institutions and the community colleges with one board or the other.

The board of regents will undoubtedly be the status board, since it is given full power to control the university system, and the language is such that the legislature is denied any and all power to enunciate policy. The only thing which is spelled out that the legislature may do is to assign institutions to the board of regents. The regents board has "full power, responsibility and authority to supervise, coordinate, manage and control the Montana university system."

The state board of education, which is the double board, "shall submit unified budget requests" according to Section 9. This could mean a budget request devoid of all detail except the grand total of funds demanded of the legislature for all education in the state. Such an appropriation would deny the legislature the power to make any decisions regarding the expansion or contraction of any part of the educational bureaucracy.

The provision that "the funds and appropriations under control of the board of regents are subject to the same audit provisions as are all other state funds" means little except to detect possible fraud and malfeasance. There would be no legislative objectives to audit against because all objectives would be created by the spending agency.

The meaning of a great many of the provisions will not be known until much litigation has gone through the courts and decisions have been rendered by the Supreme Court.

One thing, however, is certain: The people through their elected representatives will have far less power over education than they have had in the past and it will cost a great deal more.

Morrow Re-Elected MonTax President

James H. Morrow, Bozeman, was re-elected to a second term as president of the Montana Taxpayers Association at a recent meeting of the Board of Directors. Morrow, whose home is in Bozeman, represents the legal profession on the board.

Five new directors have been elected to the board.

They are Charles J. Gilder, Butte, gas and electricity; Ervin S. Gysler, Fort Benton, manufacturing; Frank Buttrey, Great Falls, merchants; Jerry Sullivan, Billings, milk products, and Don W. Warner, Helena, telephone and telegraph.

Tax Conference Elects: Hits National Deficit

Don W. Jackson, executive secretary of the Tennessee Taxpayers Association, was elected chairman of the National Taxpayers Conference at its recent convention in Washington, D.C. He succeeds Frank Zeo of the Massachusetts Tax Foundation.

S. Keith Anderson, executive vice president of the Montana Taxpayers Association, was named conference treasurer.

The taxpayer group representatives from 21 states adopted a policy statement calling for an end to fiscal chaos in the national government.

"The policy statement notes the almost unbroken string of federal budget deficits of the last 20 years, and hold that 'Federal spending programs and policies are the primary cause of inflation and our severe fiscal problems,'" Anderson said. He cited these excerpts from the statement:

"... Federal programs designed to assist state-local governments too often prove inefficient and ineffective, and too often force those governments into unnecessary and unwise actions, with the state-local taxpayers the losers. Much of this difficulty results from the inability of the federal government to adequately fund good programs because it insists upon continuing old ineffective programs or adding new low-priority programs.

"The federal government simply must become much more selective in establishing new programs or expanding existing ones. It is essential that some effective yardstick be applied for measuring program objectives achieved against objectives sought. When the desired objectives are reasonably achieved, those programs should be phased out. Ineffective and unsuccessful programs should be promptly terminated.

"These steps and others are needed not only to bring order out of the chaos of federal financing, but also to assure that high priority programs involving federal-state-local partnership can be fully funded, with state and local governments no longer being subjected to the vagaries of national politics or the need for incurring debt or raising taxes to fund programs because the federal partner has not kept its commitment."

A \$25,000 house in Utica, N.Y., costs \$1,195 in property taxes.



Don W. Jackson

Wide Choice Is Allowed in Local Government Article

LOCAL GOVERNMENT — ARTICLE XI

Wide choice is left to the voters on the form of local government which they may adopt for cities or for counties in the new constitution.

In fact, it is far wider than most voters realize, because it embraces the traditional ones now provided by law, a commission and a list of officers for each county, a county manager plan, a mayor-council plan for cities, a commission plan for cities, and a city manager plan, plus any others which may be invented.

It allows the legislature to design proposed new forms of government and it allows the citizens of a local governmental unit, not limited to counties and cities, to design and charter their own.

Moreover, it provides that citizens will be given the choice of voting on these other plans. Every local government unit must vote in four years after the constitution is adopted on whether it wants to retain its present government or adopt some alternative. Then, every ten years thereafter, another election must be held on retention of the old system or the adoption of a new one.

Section 3 provides: "The legislature shall provide methods for governing local government units and procedures for incorporating, classifying, merging, consolidating, and dissolving such units and altering their boundaries. The legislature shall provide such optional or alternative forms of government that each unit or combination of units may adopt, amend or abandon an optional or alternative form by a majority of those voting on the question."

It is specified that the present county government is only one of the options available, with the terms, qualifications and salaries of the officers left to the legislature, and the boards of county commissioners in every county having power to consolidate two or more offices, or two or more counties having power to elect one officer to serve the same function in both counties.

All cities and counties and other local governmental units will have all the powers provided by law.

In addition, the legislature shall provide procedures for self-government charters for all local governments or combinations of governments and these may be adopted by vote of the citizens. Charter provisions for setting up local offices shall be superior to statutory provisions and all chartered units will have all the power not prohibited by law, by the constitution or by the charter. Even the power of initiative and referendum

is given to the electors of a local government.

Counties may be merged or consolidated, but only on majority vote of the electors in each county affected.

Intergovernmental co-operation is not limited to counties' relations with other counties or cities relations with other municipalities.

A local government unit may, unless it is actually prohibited by law or charter (a) co-operate in the exercise of any function, power or responsibility with, (b) share the services of any officer or facilities with, (c) transfer or delegate any function, power, responsibility or duty of any officer to one or more other local government units, school districts, the state or the United States.

Putting it in other words, the county, the city, the school district, any other local governmental unit, the state of Montana and the United States may co-operate in the exercise of any function, power or responsibility; may share the services of any officer or facilities, and may transfer or delegate any function, power responsibility or duty of any officer to any of the others.

Summing it all up, local government in Montana hereafter will be limited only by the imagination of its citizens.

Voting Age Lowered In Suffrage Article

SUFFRAGE AND ELECTIONS — IV

Lowering of the voting age to 18 and the possibility of instant registration on election day are the two most dramatic changes in the election provisions of the new constitution.

The section provides that any citizen of the United States (not necessarily of Montana) who is 18 years of age and who meets residency and registration requirements may vote.

He may also hold any office except those which are specified in another portion of the constitution. This restricts candidates for state office to those who have attained the age of 25.

The legislature is given authority to set up requirements for residence, registration, absentee voting, and administration of elections. It may also provide for a "system of poll booth registration," but there are added words which direct the assembly to "insure the purity of elections and guard against abuses of electoral process."

A qualified elector may not be arrested in a polling place, or when going to or returning from voting unless he is actually caught committing a crime.

Athletics Self Supporting

Presidents of Frontier Conference colleges have recommended withdrawal of all public funds from athletic budgets. The recommendations will go to the governing board of each school. If the plan is approved, all athletic fund money would have to come from student fees or admission charges to athletic events. Coaches could be hired only in connection with other college duties. Assistant coaches would be on a temporary basis.

Nearly Every State Office Left Intact

EXECUTIVE ARTICLE — VI

State government organization is not changed much in the new constitution.

In the new document the age of eligibility for the office of governor, lieutenant governor and superintendent of public instruction is lowered from 30 to 25. Candidates for governor and lieutenant governor must run as a team. The wording is vague, but seems to indicate that no one can run for either governor or lieutenant governor unless he gets another to pair with him to run for the other office.

The new language also provides that the lieutenant governor is added to the list of state officers who "shall reside at the seat of government, there keep the public records of his office, and perform such other duties as are required by the constitution and the law." Evidently, the new section contemplates a full-time lieutenant governor, where in the past he has presided as president of the Senate and has performed the duties of an absentee governor.

The state treasurer is eliminated as a constitutional officer as is the state examiner, the board of prison commissioners and the board of examiners. The legislature would have to provide who is going to hold and bank state money and who is going to examine cities, towns, school districts and banks, there no longer being a state examiner.

There is no restriction on special sessions called by the governor so any special session of the legislature could be unduly prolonged. Currently, the governor must call for a special purpose.

The lieutenant governor is no longer president of the Senate under the new language and succession beyond the lieutenant governor is left to the legislature.

Executive departments shall not exceed 20, which is the number created by the recent executive reorganization bill which was approved by the people. Appointive power for the heads of principal departments rests with the governor.

Environmental Protection Still Debated

ENVIRONMENT AND NATURAL RESOURCES —ARTICLE IX

Not even the delegates to the recent constitutional convention can agree on what or how much the proposed new document does for protection of the environment and natural resources of the state.

Some say that the convention failed in its duty to enact protection provisions. Others say that it went far enough and still others that it went too far.

The convention did not go as far as some wanted it to go. It refused to give every citizen the right to sue for every alleged act of pollution which he might see or imagine. Opponents called this a socialistic provision endangering the right of private property.

In the natural resources Article IX it is provided:

"The state and each person shall maintain and improve a clean and healthful environment in Montana for present and future generations." Implementation of the section is left to the legislature in the form of a mandate.

In the Bill of Rights article there is also similar language, spelling out that one of the inalienable rights of all persons is a "clean and healthful environment."

Some members, seeing the possibility of extensive coal mining in portions of Montana, wanted an unusually strong section on reclamation, requiring restoration of mined surface to its prior condition. The language adopted merely requires that all lands disturbed by the taking of natural resources shall be reclaimed, and leaving it to the legislature to fix standards.

Water rights are left essentially as they are under the present constitution. The provision is that all existing water rights are recognized and that all appropriation of water for beneficial use, and the transportation of water in canals, flumes, etc., plus the sites for reservoirs, shall be held to be a public use.

All water is stated to be the property of the state, subject to uses provided by law, and the legislature is told to provide for administration, control and regulation. One new feature orders centralization of records. These are now maintained in district court files where the use of water is recorded and adjudicated. One of the aims is to keep other states from appropriating Montana's water.

One thing not mentioned, which some sought, is the listing of recreation as a beneficial use of water.

The Ghost Town Preservation Society succeeded in getting a section for the preservation of historical and cultural resources.

Responsibility For Welfare Seems in Doubt

DEPARTMENTS AND INSTITUTIONS — ARTICLE XII

Will welfare be a function of the state or will it continue to be the responsibility of the counties under the new constitution?

The provision in Article XII appears to be vague.

The first portion of Section 3 says that the state shall establish and support institutions and facilities as the public good may require, including some which may be necessary and desirable for the care of veterans.

The second portion says that persons committed to any such institutions shall retain all rights except those necessarily suspended as a condition of commitment. Presumably this refers to the state prison and to the State Hospital. Then it says that these suspended rights are restored on termination of the state's responsibility.

The third section directs the legislature to provide such economic assistance and social rehabilitation services "as may be necessary to those inhabitants who, by reasons of age, infirmities or misfortune may have need for the aid of society."

One interpretation could be that "the inhabitants" are the residents of the institutions mentioned in the previous sub-section. Another could be that what is meant is the inhabitants of the state as a whole who are in need.

The latter interpretation would thus seem to mean that the state and not counties is responsible for public welfare.

There is nothing in the local government article, nor anywhere else in the constitution, which infers that welfare is a county responsibility.

As to homes for veterans, it should be remembered that Montana has never declared war on any other state or nation. All the wars in which its citizens have taken part were declared by the United States government. And yet Montana taxpayers have been required to provide assistance to United States veterans which should have been provided by United States taxpayers. Several times in the past the state has been on the verge of ending the state soldiers' home at Columbia Falls but each time it has been saved. Now it appears to be embedded in the constitution.

No doubt it was the political weight of two groups which assured the establishment of two executive departments in the constitution when several other traditional agencies were dropped.

These were the Department of Agriculture, which represents

Montana's largest industry, and the Department of Labor and Industry. They probably will be included in the 20 executive departments.

It was in this article, No. XII, that permission was given to levy special taxes for the benefit of agriculture. These may be placed on livestock and on agricultural commodities for disease control and indemnification, predator control, livestock and commodity inspection, protection, research and promotion.

All revenue derived shall be used solely for the purposes of the levies.

It was also in this article that a section fixes eight hours as a regular day's work in all industries except agriculture and stockraising. But there is an added sentence, "The legislature may change this maximum period to promote the general welfare."

Constitutional Amendments Are Made Easy

CONSTITUTIONAL REVISION — XIV

One constitutional provision which may come in handy in the future is that which makes it easier to amend the new constitution than it has been to change the old one.

No one knows how many ambiguities, contradictions, unforeseen results of hasty drafting and other bad things might be found in the new document if it is approved and put into effect.

Accordingly, there is no limit on the number of amendments which may be proposed at any one general election. The present limit is three.

The present method of amendment is retained, which provides that two-thirds of all the members of the legislature must approve putting it on the ballot where it must be approved in turn by a majority of the voters.

The people may also propose constitutional amendments by initiative, the petitions being signed by at least 10 per cent of the voters in order to qualify for the ballot.

Two-thirds of the legislature may vote to put on the ballot the question of holding another constitutional convention, or the people may call a convention by the initiative if 10 per cent of the voters sign the petitions.

If a convention is not held sooner, the question of calling a new constitutional convention shall automatically be submitted to the voters each 20 years.

Machinery for operation of the convention is spelled out in the proposed constitution.

The real estate tax accounts for \$8.50 of each \$10 collected in local taxes.

Several New Basic Rights Are Accorded

BILL OF RIGHTS — II

All rights of citizens which are listed in the present constitution are retained in the new Bill of Rights article and several new ones have been added.

The present ones include freedom of speech, to vote, to be admitted to bail and trial by jury. The right to bear arms was retained in its present form.

The new language states that people have a right "of pursuing life's basic necessities." They also have the right to seek "safety, health and happiness" in all lawful ways.

A new anti-discrimination section entitled "Individual Dignity" has been added which says that "the dignity of the human being is inviolable" (whatever that means), guarantees equal protection of the laws and forbids discrimination on the basis of race, color, sex, culture, social origin or condition, or political or religious ideas.

An attempt was made to provide that unions could not discriminate against non-members, but this failed. The committee stated, "some fears were expressed that the wording, 'political or religious ideas' would permit persons who supported right to work in principle to avoid union membership. Such is certainly not the intent of the committee." This means that much employment depends upon getting permission from a labor union which might control the hiring.

One of the new rights is termed "the right of participation." It provides that "the public has the right to expect governmental agencies to afford such reasonable opportunity for citizen participation in the operation of the agencies prior to the final decision 'as may be provided by law.'" The entire section appears to be meaningless, because the only right extended is the "right to expect." Whether the right to expect to participate also means the right to participate will probably be for the courts to decide.

One of the new "inalienable rights" of the people is the right to a clean and healthful environment. In another article is a similar provision, requiring everyone to provide a clean and healthful environment for everyone else. This section has unlimited possibilities for legal action and interpretation by the courts.

The "right to know" section brought about the biggest hassle of the entire article. It provides that "no person shall be deprived of the right to examine documents or to observe the deliberations of all public bodies or agencies of state government and its subdivisions, except in cases in which the demand of individual privacy

clearly exceeds the merits of public disclosure." This too has unlimited potential for litigation.

There is also another section which asserts the right to individual privacy being essential to the well-being of a free society, and adding that this right shall not be infringed "without the showing of a compelling state interest."

The new section makes 18-year olds adults for all purposes. A companion section guarantees all fundamental rights to those under 18, subject to laws "which enhance the protection of such persons."

One portion of the section on the administration of justice was inserted in order to reverse a court decision against the attorney who was chairman of the Bill of Rights Committee. Under this section an injured workman can sue the party who has hired his employer.

The new habeas corpus language is that this right shall never be suspended. The present provision is that it shall not be suspended except in case of rebellion or invasion. The committee recalled 1914 when Butte was declared to be in a state of insurrection, the government called out the military and the military closed the courts.

One provision could affect taxpayers of the future. It is the deletion of the prohibitions against citizens suing the state or other governmental subdivisions. Heretofore, the state has been immune from suit. The provision is: "The state and its subdivisions shall have no special immunity from suit." The effective date is July 1, 1973, so that officials may acquire insurance and so that the legislature may prepare for it.

Initiative and Referendum Kept In New Document

GENERAL GOVERNMENT — III

Retention and definition of initiative and referendum as methods of legislation are the most important features of the general government article in the new constitution.

Initiative petitions must contain names of five per cent of the qualified electors in one-third of the legislative representative districts. Presently the requirement refers to counties.

Total number of signatures must be five per cent of the total qualified electors in the state.

Referendum petitions have the same requirements, with the addition that the legislature may on its own initiative refer a measure to vote of the people.

A total of 15 per cent of total electors in a majority of the legislative districts is required to suspend an act of the legislature until it can be voted on.

It is this article which contains the prohibition against gambling which will remain in effect unless the people vote otherwise at the confirmation election on June 6.

Annual Legislative Sessions Are Made Mandatory

LEGISLATIVE ARTICLE — V

The legislative article contains what is perhaps the most expensive provision in the new constitution. That is mandatory annual legislative sessions — a legislature each year for a maximum of 60 legislative days. The document also provides that any legislature can extend the length of subsequent sessions so it could increase the length of its stay in Helena from year to year. (This fits into the plans of those legislators who want to be on a yearly salary and feel they should be "full time legislators.")

Not only will yearly sessions cost upwards of \$1 million a year (maybe more) in additional funds, they will also lead to full time employment of legislative personnel and will cause state boards, bureaus and agencies to hire still more state employees to handle the yearly state budget which will have to be presented.

Currently, the budgeting process is spread over a two-year period and the legislative employees are hired when there is an assembly very other year.

Another radical change the voters could approve would be the institution of a unicameral (one-house) legislature instead of the present bicameral (house and senate) which has made Montana's laws since territorial days. If citizens vote for the constitution they will have a chance to choose between the two systems. Currently, only one state — Nebraska — has the one house system.

Veteran legislative observers doubt that good legislation can be passed with ease and efficiency as promised by one-house advocates. The legislative process should be difficult. It should be such that the maximum of opposition can be generated to each and every proposal so that all of the weaknesses and contradictions can be removed before it becomes final law.

The experience of the constitutional convention itself demonstrated that more wisdom would have been available if there had been two houses instead of one.

Experience in other states such as Idaho and New Mexico (who are trying to eliminate annual sessions this year) have found that tax increases and public expenditures have tended to increase faster than with biennial sessions. Legislatures tend to pacify the spending pressure groups by giving in at least partially to their demands. As a result, public spending and tax rates tend to accelerate with annual sessions.

Another change would allow the legislature to convene itself in special session on petition of a majority of its members. Now only the governor can call a special session.

All votes on substantive measures shall be recorded and legislation shall carry over from ses-

sion to session during the biennium. This means that legislation could be introduced into the first session and kept alive, by one means or another through the two sessions, which would be expensive both in time and money.

Under the new article the lawmakers shall be elected from single-member districts. The present legislature has at least two from each district and as many as a dozen from some districts in urban areas. If there are two houses, each senatorial district would be split in half for the house district. If a district crossed county lines, each candidate would have to be a resident of the district. If a district could be wholly within a county then any county resident could run in any district.

Several provisions of the present constitution have been eliminated including the requirement that revenue bills originate in the house. This is true in most states and in the Congress of the United States. Also eliminated was the prohibition against log-rolling or trading votes by legislators.

Other provisions eliminated were requirements that each bill have an enacting clause, that it be considered by a committee and be printed, prohibitions against bribery of legislators or state officials, and a requirement that where a bill proposes to amend a state law the amendatory bill set out in full the text of the law being amended.

This last provision frightens some knowledgeable people who fear that a bill could change the language of a law on the books by presenting to legislators only one sentence or part of a sentence of the law being amended.

Costly Election Is Coming June 6

The Constitutional Convention's directive that voting machines not be used for voting on the proposed constitution will be costly to taxpayers, Joe Lennon, clerk and recorder of Cascade County, says. Cascade County does not have ballot boxes nor voting booths. Separate registers will have to be set up to record the vote. Moreover, the counties will have to bear the cost of mailing the proposed constitution and other literature concerning it to each voter.

To Ask Increase

Regents of the Montana University System are proposing a 4.4 per cent increase in next year's annual budget. For the year beginning July 1 the budget total is \$42.5 million about \$1.9 million larger than for the first year of the 1971-73 biennium.

The budget consists of \$22.6 million of legislative appropriations; \$8.5 in student fees; \$5.9 million from the statewide six-mill levy, and \$2.9 million in federal funds.

Several Issues on Ballot to Be Decided by Voters June 6

TRANSITION

The new Montana constitution will go into effect July 1, 1973, if it is approved by the voters on June 6.

In addition, there are other issues on the ballot which will be decided at the same time.

One is the unicameral vs. bicameral legislature. Voters are given a choice, but the new constitution will provide for a two-house legislature unless a majority of all voters mark their ballots for a unicameral body.

The present prohibition against gambling will remain in the constitution unless the majority of all voters approves the provision to allow the legislature or the people to decide whether to legalize gambling.

Another issue on the ballot is that of capital punishment. The wording will be added to Section 28 of the bill of rights which refers to the rights of the convicted. If the voters disapproved of capital punishment these words will be added to the section: "Death shall not be prescribed as a penalty for any crime against the state."

However, if the voters legalize capital punishment, then the words would continue: "Except for capital offenses when proof is evident or presumption great."

There is appended to the constitution a transition schedule which provides that if approved, the sections of legislative article on annual sessions and on districting and apportionment will be effective January 1, 1973.

Sections on the size, power and structure and terms of election of the legislature are not effective until after the first redistricting and reapportionment plan becomes law.

New provisions of the bill of rights are not to be retroactive.

Members of the judiciary shall complete the terms for which they were elected and the new, longer terms of office will be effective only for their successors.

Terms of all legislators elected before the effective date of the constitution will end on the date when the first redistricting and reapportionment law becomes effective.

Powers and duties of officers and boards not mentioned in the constitution will remain as at present unless there is a contrary provision in the constitution. All laws, ordinances and the like which are not contrary to or inconsistent with the constitution will remain in effect.

The IRS is preparing to investigate tax-return services.

Unicameral Legislature Is Explored

Nebraska's experience with the unicameral legislature has convinced him that it would not be good for Montana, says Byron L. Brown of Dillon, who was editor-publisher of the Grand Island Herald when Nebraska went unicameral and who later covered the legislature for the Nebraska State Journal in Lincoln.

"The unicameral moves swiftly and easily on passing bills with a minimum of objection," he adds. "But can anyone say honestly that it is cheaper and better?"

Nebraska started with 43 senators. Now there are 49 and there is talk of increasing this to 90 to "achieve better representation," Brown says.

The principal weakness of the unicameral is that the senators are overloaded with work, even for annual sessions. There are from 1,000 to 2,000 bills offered each session. A single bill may have from a few pages to thousands of pages of supporting detail to describe its purpose and each senator is supposed to be familiar with all this information.

Public hearings are not effective and there is only one, with no appeal possible as in bicameral. After committee consideration, Brown points out, "the bill is either approved or disapproved for the legislature, the vote is taken and a majority decides it real fast. The sales tax bill in Nebraska was a good example."

Brown adds: "My observation has been that the legislator becomes so immersed in detail and skillfully-presented views of lobbyists and proponents, that evidence presented in public hearings rarely changes decisions."

On the other hand, he says, the bicameral, two-house, two-party system does serve the peoples' interests by providing careful reconsideration of proposed bills.

"With all the nitty-gritty preparatory details removed by the representatives, the critical review of measures by the second body results in far better legislation."

"This reconsideration gives the public a second view of legislation in the proper form, affording better protection. The unicameral lacks these safeguards, often resulting in too much control by urban areas to the detriment of rural areas."

Many Things Left to Action of Assembly

There are many areas into which the constitutional convention failed or refused to enter, leaving matters specifically to the legislature.

In a few cases the legislature was given power virtually to amend the constitution itself, there being some sections where a directive was laid down which should prevail unless changed by law.

A reading of the document, with a list of the instances where action must be "as provided by law," or in other cases where the legislature may do thus-and-so or must do this or that, indicates that considerable leeway has been left to lawmakers.

Many of the tasks assigned the legislature in the new constitution will be part of the project of implementing the new document if it is approved by voters.

No effort has been made to compare this list with the provisions of the present constitution.

The following are examples of what the legislature can or must do:

Article II

List the agencies in which the public may participate.

Define deprivation of life, liberty or property.

Provide methods for depositions by criminal suspects.

Provide rules for trials in which there has been default.

Fix rules for imprisonment for debt.

Fix rules for quartering soldiers in a home.

Petition for the importation of military forces.

Determine special privileges for veterans.

Article III

Determine rules for continuity of government in an emergency.

Order a referendum.

Article IV

Fix residence requirements for voters.

Decide on details for holding elections.

Fix additional qualifications for office holders.

Article V

Fix compensation of legislators.

Increase the length of any subsequent legislative session beyond the 60 days fixed in the constitution.

Determine how legislative vacancies are filled.

Give the courts power to hear election contests.

Establish a legislative council and post-audit committees.

Determine what officers are subject to impeachment.

Fix the manner of impeachment.

Fix the punishment for those impeached.

Advise the state reapportionment commission.

Article VI

Provide for a general state election.

Fix nomination procedures for governor and lieutenant governor.

Fix qualifications of the superintendent of public instruction.

Fix additional duties of the governor.

Fix the duties of the lieutenant governor.

Fix the duties of the attorney general.

Fix the duties of the superintendent of public instruction and the state auditor.

Fix the salaries of officers of the executive branch.

Set up the succession to the office of governor for those succeeding the lieutenant governor.

Determine how a vacancy occurs in a state office.

Fix the powers and duties of the executive departments, which shall be not more than 20.

Create temporary commissions in addition to the 20.

Decide upon the administration of each of the departments unless this is provided for in the constitution.

Fix the time for submission of the state budget by the governor.

Override a veto by a two-thirds vote.

Fix rules for reassembling to act on a veto after adjournment.

Fix rules for governor's pardons, remission of fines, etc.

Exempt citizens from service in the militia.

By a two-thirds vote, determine that the governor is disqualified from serving further.

Put the lieutenant governor in the office of governor if the office of governor is declared vacant.

Article VII

Create other courts in addition to those in the constitution.

Increase the number of supreme court justices to six.

Fix the jurisdiction of district courts.

Give criminal jurisdiction to other courts.

Fix compensation of justices of the peace.

Determine jurisdiction of justice courts.

Divide the state into judicial districts, set up boundaries and the number of judges in each.

Fix the pay of the judiciary.

Fix terms of office for judges other than those mentioned in the constitution.

Fix the method by which the governor names replacements for the supreme court or district judges.

The senate must confirm appointments.

Fix qualifications and methods of selection of judges in other courts.

Create a judicial standards commission.

Article VIII

Make general laws for imposition of taxes.

Provide for equalization of property valuation.

Exempt certain classes of property from taxation. (Government property, charitable property, etc., may be exempt, but this is not mandatory.)

Authorize special improvement districts.

Direct the use of motor vehicle revenues, subject to restrictions, except by a three-fifths vote which removes restrictions.

Set up appeal procedures for taxpayers.

Create state debt by a two-thirds vote.

Limit the debt ceiling of local governments.

Specify how borrowed money shall be used by government units.

Demand strict accountability of all public revenue.

Set up a unified investment program for state and local government.

Appropriate all money spent by the state except interest on debt.

Article IX

Set up administration of clean environment requirements.

Set up remedies for protection of environmental life support system.

Set standards for reclamation of mined lands.

Define beneficial use of water, and its appropriation.

Set up administration of control of water rights, records, etc.

Provide for preservation of historical sites, etc.

Article X

Provide for a system of basic education for all.

Make regulations for administration of school lands.

Apportion public school revenue to the schools.

Set up rules for election of school district trustees.

Assign institutions to the board of regents.

Define duties of the board of public education.

Regulate sale of and control of public land trust.

Provide for classification of all public land.

Article XI

Create new forms of local government.

Fix methods for governing, merging, incorporating local government and set up other alternate forms of government.

Set up procedures for new local government units by July 1, 1975, or people may adopt their own charters.

May pass laws to restrict charters, which may do anything not prohibited by law.

Shall extend initiative and referendum to local government.

Require each local unit to review its structure within four years, and every ten years thereafter.

Article XII

Must set up a department of agriculture.

Must set up a department of labor and industry.

May change constitutional eight-hour day.

Set up all institutions that the public good may require.

Provide economic assistance to all inhabitants in need.

Article XIII

Regulate corporate charters.

Protect people from unfair competition.

Create office of consumer counsel and tax regulated companies to pay for it.

Create a salary commission to suggest elected officers' pay rates.

Draft its own code of ethics.

Enact liberal homestead and exemption laws.

Article XIX

By two-thirds vote may submit constitutional convention issue to voters.

By two-thirds vote may refer constitutional amendments to people.

General Provisions Contain Several Various Sections

GENERAL PROVISIONS — XIII

A conglomerate of provisions is included in Article XIII of the new constitution, running all the way from charters for corporations to a code of ethics for the legislature.

It creates two new departments, one a consumer counsel to represent the public before the public service commission, which the constitution does not create, and a salary commission to recommend the rate of pay for all elective state officers, including judiciary and legislature.

Full power to regulate corporations is given to the legislature, which is also given the duty of protecting the people from "harmful and unfair practices by either foreign or domestic corporations, individuals or associations."

There is an elaborate and wordy section which probably means that the legislature shall not pass any ex post facto law.

The legislature is directed to provide a code of ethics prohibiting conflict of duty and private interest for all members of the legislature and all state and local officers and employees.

The legislature is directed to enact liberal homestead and exemption laws, which probably means protection of debtors from creditors in foreclosures and garnishments.

Revenue Collections Up

Montana state revenue collected up to April 1 in this fiscal year was \$90.1 million, 37 per cent more than net revenue in the first nine months of the previous year. The dollar increase was \$24.3 million and most of this was due to the 40 per cent surtax on the income tax.