

BEFORE THE DEPARTMENT OF REVENUE  
OF THE STATE OF MONTANA

In the matter of the adoption of New ) NOTICE OF ADOPTION  
Rule I pertaining to alternative office )  
hours in county offices )

TO: All Concerned Persons

1. On June 20, 2013, the department published MAR Notice Number 42-2-894 regarding the proposed adoption of the above-stated rule at page 1055 of the 2013 Montana Administrative Register, Issue Number 12. The department also twice advertised the hearing information in each relevant county's general circulation newspaper publication.

2. Public hearings were offered between July 12 and July 19, 2013, in the local county seat of the 18 counties impacted by the rule, to consider the proposed adoption. Members of the public participated in Blaine, Broadwater, Daniels, Judith Basin, Meagher, Pondera, and Prairie Counties. No members of the public attended for the hearings offered in Carter, Garfield, Golden Valley, Granite, Liberty, McCone, Musselshell, Petroleum, Powder River, Treasure, or Wheatland counties.

The written and oral comments received are summarized below, along with the department's responses. Comments that were similar in nature across multiple counties are captured together and all other comments follow those.

COMMENT NO. 1: There was some general confusion and concern about the term "closed," as it was used in the proposed new rule. Some county officials, employees, or other members of the public who testified had interpreted this to mean that there would be a reduction in services in their county.

RESPONSE NO. 1: The department apologizes for the confusion. The department's employees are responsible for conducting both business office and field work. In many counties, with four or less staff, the same individual is often responsible for working in both places. The counties identified in the rule will be "closed" when department staff is working away from the office conducting field work, meeting with taxpayers, assisting other offices, or when they use their personal leave. The department does not anticipate a reduction in services to the county. The rule is intended to specify the staff's availability in the business offices. For clarity and to eliminate the confusion, the department is amending the rule to add in the term "business" ahead of office, where appropriate, and also to remove the office closure references in (3)(a) through (r). The remaining language in (1) and (2) of the rule provides the necessary explanation for business office closures.

COMMENT NO. 2: Several county officials or employees attending the hearings expressed concern that the proposed reduction in office hours might be because department management thought that a particular staff member was under-

performing and therefore sought to reduce that person's work hours. In each instance, the testimony included compliments and support for department staff.

RESPONSE NO. 2: The department appreciates the honesty and the county's praise of department staff. The department is proud of the customer service that the local staff provides and the good working relationships they have established with county employees over the years. The purpose of the new rule is not to address personnel concerns. The purpose is to allow department staff the ability to timely complete their field work and to provide department management with the flexibility they need to send staff into different counties and thereby effectively and efficiently cover fluctuating workloads.

COMMENT NO. 3: Another common concern was that the department is making cuts due to sequestration or for budgeting or financial reasons, and may be seeking to save money at the expense of the smaller county offices. The questions ranged from asking if the department suddenly lost its funding and wanting to know what the department's plans are for the money being saved, to what would happen to the full-time positions if employees are being laid off. A citizen asked what the bottom line is with this proposal.

RESPONSE NO. 3: The department understands the confusion. While the department must complete the work within the budgetary resources that the legislature allows, it is not laying off employees or reducing any employee hours. Rather, the new rule gives the department the flexibility to share existing staff between counties as needed to assist with fluctuating workloads and to more efficiently and effectively manage its resources. The prior law required the department to keep its offices open to the public Monday through Friday, from 8 a.m. to 5 p.m. Some smaller offices had difficulty complying with this law, especially one-person offices with a range of responsibilities that include conducting field work, valuing new construction, or verifying property sales, for the entire county. The change in the law and the new rule allow for the physical office to be closed while the staff is out conducting the required field work for the county.

COMMENT NO. 4: Although some who testified expressed an understanding for why it may not be possible, commenters at almost every hearing asked to go on the record on behalf of all citizens or with their own preference that their local county assessor's business office be open to the public Monday through Friday, 8 to 5; and by and large cited service to local citizens as their reason. One county official stated that it is always preferable for citizens and county staff who work with the assessors to be able to talk with someone in person rather than by telephone.

RESPONSE NO. 4: The department appreciates and understands the county's preferences and recognizes that staff availability is important to the county's work. While one aspect of the department's job is business office work and to interact with county employees and citizens, another is to conduct field work in a timely manner, valuing new construction, and verifying property sales, for the county. Counties with as few as one or two employees cannot effectively accomplish all of

the county's work and simultaneously staff the business office full-time. The department must work within the budget the legislature provides and find ways to efficiently and timely complete each county's work.

COMMENT NO. 5: A county official asked if a taxpayer should want to meet at a time other than the scheduled office hours, if it would be possible for department staff to meet that taxpayer at another time.

RESPONSE NO. 5: Yes, this is possible. Department staff will continue to schedule appointments and accommodate taxpayers' schedules as needed.

COMMENT NO. 6: While many county officials voiced appreciation for having the assessor's office so handy in their courthouses, they also expressed concern that when the assessor's office is closed during regular business hours it is their offices that feel the brunt of the public's frustration and anger over the situation. Several county officials explained that this occurs because the general public doesn't always differentiate between the state-run and the county offices and therefore expect county staff to answer for the closures and/or be able to respond to property assessment-related questions. County officials stated that this is an unfair burden placed on their county offices and added that it takes time away from their own work. One county commissioner commented that he had personally taken abuse when a citizen found the department's office closed.

RESPONSE NO. 6: The department can appreciate the counties' concerns with not having department staff available at all times. The department will provide contact information that includes the telephone numbers of available staff to help answer questions. The department highly encourages appointments so that its staff can work their schedules around the availability of citizens.

COMMENT NO. 7: Several county officials testified that they are concerned about the effect the reduced office hours will have on low-income citizens or elderly ranchers and farmers who lack computer skills and/or must travel great distances to get to the county office for assistance. One stated that it isn't always feasible for these people to arrange their schedules to accommodate weekday office closures. They come into town to conduct their business as time and road conditions permit.

RESPONSE NO. 7: The department strives to always provide excellent customer service. The department will include contact information on signs located in the local business offices, on its web site, and at any other location deemed appropriate, so that a department staff member will be available to answer questions and respond to requests promptly. The department's staff is also always willing to accommodate taxpayer schedules as needed. The county office staff typically lives in the community in which they work and are often very familiar with the citizens. Should a taxpayer require a meeting, the local staff will schedule a time when it is convenient for them to come into the business office, or to meet with them elsewhere.

COMMENT NO. 8: Several county officials asked if the department would make exceptions to the reduced office hours during certain weeks of the year, such as at property valuation or tax notice time, or during reappraisal years, by providing additional staff to work in the local offices in response to the increased number of taxpayer's questions that arise during those times.

RESPONSE NO. 8: The department understands there are busier times of the year, such as when assessment notices go out. The assessment notices inform the property taxpayer of their property classification, property value, and ownership information. The department agrees with the importance of having staff available as much as possible in the business offices during busier times of the year to assist citizens, and is always willing to adjust the staff's work priorities to accommodate citizens during these busier office times. The flexibility afforded by the new rule will help the department to redistribute resources for coverage in these situations.

The department also recognizes that it is typically busier in the business offices after the county treasurer mails out property tax bills. While the department staff would be able to answer any property valuation questions that might arise at that time, they wouldn't be able to assist citizens with their more common questions about their tax bills, special fees, or special assessment charges set by the county. County employees would be the citizen's best resource for this purpose.

COMMENT NO. 9: A Judith Basin County commissioner made a request regarding the type of signage placed in their courthouse. He stated that the proposed hours are fine, provided they are well posted. He explained that he would like to see a free-standing podium or easel placed outside of the assessor's office with an open or closed sign on it that the employee would physically set outside the door. He emphasized that he does not want something unattractive taped to the door, and asked that the department provide a professional looking sign that is permanent in nature, to lessen any confusion to citizens.

A Daniels County employee stated that while she understands that all employees are entitled to and need to take a lunch break during the day, that the department should keep in mind the public's need to be able to count on staff being available when it is advertised that they will be there. Accordingly, the employee asked that the posted hours for the office include a consistent lunch hour. The county employee further requested that when the department advertises its hours in the local newspapers that it include the department's web site address, because the people in their community use the Internet a lot and are sure to appreciate that information.

RESPONSE NO. 9: The department understands the importance of proper signage and notice to the public. The department is willing to accommodate the commissioner's request and will determine the appropriate signage needs for each county office on an individual basis. The department further recognizes the importance of staff being available at the designated hours. The department appreciates the suggestions and will include its web site address as part of the contact information placed in the newspaper advertisements.

COMMENT NO. 10: A Blaine County commissioner commented that they have actively worked with the department to keep the office fully staffed with two full-time employees. He stated that they had participated in a meeting about a year ago with the department's region and area managers and were left with the impression that the office would be fully staffed Monday through Friday.

RESPONSE NO. 10: The department's regional and area managers did meet with the commissioners regarding the department's staffing of the office and apologizes for any misunderstanding. The department adjusted the staffing levels to retain its well-qualified staff to conduct the county's field work in a timely manner for the purposes of reappraisal, newly taxable property, and other matters. Unfortunately, this can and does impact the hours that the trained appraisal staff are available for walk-in coverage in the business office. The purpose of the new rule is to establish set business office hours so citizens will know when to expect the office to be staffed, and to provide good contact information for those times when staff must be away from the business office to conduct their field work.

COMMENT NO. 11: Citizens who work for title companies also testified at the Blaine County hearing and commented that it is imperative that the office stay open Monday through Friday, 8-5, because they have an almost daily need to access the department's public records. They stated their opposition to further closures because it would impact sales and slow down commerce if they cannot efficiently obtain property information when needed to complete a transaction. One explained that it's about convenience and said office closures slow down not only their work but also that of the county's busy real-estate appraisers who are on a timeline. They additionally commented that because of the department's field work, the time of year, and for other reasons, the office is currently closed more than it is open.

RESPONSE NO. 11: The department appreciates the usefulness of the information it collects and is pleased to assist both citizens and businesses by making this public information available to them. Many people have commented that they rely upon and appreciate having this information so readily available. The department maintains a self-service cadastral web site that is available to the general public online, at any time, and the information on the site is updated approximately every 24 hours. The cadastral web site address is [svc.mt.gov/msl/mtcadastral](http://svc.mt.gov/msl/mtcadastral). There is also a link to the cadastral web site from the Property Owners section of the department's homepage at [revenue.mt.gov](http://revenue.mt.gov).

COMMENT NO. 12: The Broadwater County treasurer asked if the office would be completely closed on Fridays and explained that he is asking because, although he feels the citizens in the county will respond as needed to the change, Fridays are usually busy in their county offices and it seems to him to be the day that people tend to take off from work to conduct their business.

RESPONSE NO. 12: The department recognizes the needs of the county citizens. Unfortunately, Friday is also the best weekday for the department staff to

meet with the public as part of its field work. Department staff will continue to be available by appointment and make accommodations for citizens, as requested.

COMMENT NO. 13: At the Daniels County hearing, the department's area manager testified that he would like to extend the previously proposed hours of 8 to noon on Mondays and Tuesdays to 8-5, to better serve the public. This change should not significantly impact the staff's ability to timely complete their field work in this county.

RESPONSE NO. 13: The rule is being amended to extend the business office hours in Daniels County as proposed.

COMMENT NO. 14: Officials in Prairie County stated that they would hate to see their county lose a full-time position, and that the county would be losing a very valuable asset if the current assessor is not there full-time.

RESPONSE NO. 14: The department appreciates and understands the county officials' concerns and recognizes that staff availability is important. While one aspect of the department's job is business office work, another is the timely completion of all field work. In offices with limited staff, it often is not possible to complete all of the county's field work and also staff the local business office full-time. It is a balancing act. The department must operate within the budget the legislature provides and find ways to efficiently and timely complete all of its work.

COMMENT NO. 15: A Meagher County commissioner testified that the courthouse building in their county closes daily at 4 p.m., and asked if the department would mind changing the hours being proposed from 8-5 to 8-4.

RESPONSE NO. 15: The department appreciates having this information and is amending the rule accordingly.

COMMENT NO. 16: A county official commented that it appears to them that the department is starting to centralize everything in Helena, which is a lot less responsive to, and creates animosity with, taxpayers. He stated as an example that it's like when things are dictated from Washington, D.C., to the state of Montana and the service to the actual person paying the taxes is lost. Another asked how the department sees this all working and if it means that staff will be shared with Broadwater County and/or Wheatland County.

RESPONSE NO. 16: The department appreciates these concerns. The personnel assigned to conduct the appraisal work and provide business office coverage and services to the citizens of Meagher County are from neighboring counties, primarily Broadwater, not from Helena. To clarify, the change in business office hours does not impact the work that the department provides for this county or any other county. The change in business office hours gives the department the flexibility to efficiently conduct all of the county's field and business office work, both of which benefit the counties.

COMMENT NO. 17: A treasurer/assessor asked if it would be possible for the department to provide them with access to personal property information in order to answer taxpayer's questions when they come in. She stated that, as it is, they have to respond that they don't have the information on their computers.

RESPONSE NO. 17: Yes. In addition to the cadastral web site referenced in an earlier response, the county treasurers have access to the department's property tax portal, known as Orion. Orion contains all non-confidential data housed within the department's computer system. The data is updated nightly and department staff is available to train the treasurers on how to use the portal, if needed.

COMMENT NO. 18: An official also mentioned timetables and asked if not having an employee located there meant they would receive their mill levy and other information later.

RESPONSE NO. 18: No. The alternative business office hours will not impact the department's statutory requirements to timely provide this information to the counties.

COMMENT NO. 19: A citizen in attendance at the Meagher County hearing asked why the department is looking at closing their office and what the rationale is for having the office open only one day a week. She commented that this will create a hardship for residents who live at either end of the county and must travel great distances just to get to town and will now need to drive to wherever the department sends them.

A commissioner stated that it's bothersome to her that the rule is taking their office down to one day a week, and added that none of the other counties the department is looking at are reducing to a single day. She asked how many staff members are employed in Broadwater and Park Counties, and on receiving a response of two in Broadwater and six in Park, she stated that it disappoints her as a commissioner that the department is choosing to staff some counties to that level and not staff theirs at all. She added that while they would love to have a full-time office person, even a half-time person would be more in-line with the other counties.

County officials expressed concern and disappointment with the department's plan to use employees from other counties to service their office as opposed to filling a recently vacated position with someone living in their county, because it would mean the loss of a good job in their small community and that somebody local who knows the community would also better serve the local taxpayers. A commissioner commented that theirs is one of the counties that the department is looking at downsizing that may actually experience exponential growth in the near future due to a copper factory that is considering locating in the area. She stated that she hopes the department will consider any change in the county's workload should it increase.

A citizen at the hearing commented that their county has historically partnered with neighboring counties many times, in different situations, and always ended up on the short end of those deals. She added that this county becomes the step-child and its business is bumped to the bottom of the pile. She does not want to see the

county residents be in that situation and have to go through that again.

RESPONSE NO. 19: The department appreciates the concerns of the county officials and citizens. The department carefully considered and analyzed many factors including the number of parcels, instances of taxpayer assistance via telephone, walk-in traffic counts, property ownership changes, new construction valuation, and property sales verification. The department's analyses indicated that the appropriate level of staffing called for in Meagher County to be less than one-day of business office coverage.

Currently, incoming telephone calls are automatically rerouted to staff in nearby Broadwater County, who have a familiarity with the community and can provide prompt responses to taxpayer questions and information requests. Taxpayers will not be expected to travel to other counties for assistance. As stated in previous responses, the department is willing to accommodate taxpayer schedules and meet by appointment either in the business office or on site as requested.

The department will continue to monitor the workload in Meagher, and all other counties, and adjust staffing levels as needed. It remains a possibility that a citizen of the county could be employed to staff the office in the future should it become warranted. The department's responsibility to the counties is not changing. It is the department's intent to continue conducting all field and business office work in all counties in a timely manner. The alternative business office hours give the department the flexibility to best use its limited resources at any given time and in any location.

COMMENT NO. 20: An official in Meagher County asked how many days of the week someone would be in their county to conduct field work and stated that the former assessor was busy four days a week, spent a lot of time in the field trying to catch up, and that there is still a lot of unfinished field work in the county to be done.

RESPONSE NO. 20: The department understands how important it is to complete all field work and timely report data to county government officials. One of the benefits of the alternative business office hours is that it allows well-qualified staff to conduct both office work and field work, which provides for accuracy and efficiency. The department is unaware of any outstanding field work in Meagher County, but workload is continually monitored and as it increases, so will the level of staff assigned to conduct the county's work.

COMMENT NO. 21: Another question posed by a commissioner was whether or not the department had considered keeping a staff person in the smaller communities and using that person to handle overflow from the larger counties instead of the other way around.

RESPONSE NO. 21: Yes. The department carefully evaluates the workload in each county and determines how best to utilize its resources. There is some work that can be conducted in the business offices via the computer; however, the amount and type of work required in each county varies. The alternative business

office hours in certain counties will allow the department the flexibility to move staff around as necessary and make certain they are available to assist in counties lacking the resources to timely complete that county's property assessment work.

COMMENT NO. 22: The treasurer/assessor asked how people in the other counties who will be doing the work for Meagher County feel about taking on the additional workload, and if this makes them feel overtaxed.

RESPONSE NO. 22: Having staff from one county do work in another is not a new concept or practice. The temporary shuffling of qualified staff to assist in other counties has been occurring since the 1980s. The department staff has worked together, in most instances, for many years, and is always eager to help each other. The staff recognizes that there will be times when other counties must rely on them to help with a workload issue. Through close monitoring and careful time management, this rarely places any additional burden on the counties providing the assistance.

COMMENT NO. 23: The commissioners in Meagher County both made closing statements asking for the department's serious consideration of the comments made in the hearing. One stated that he hopes the department does not already have its mind made up and is not just checking the box for having conducted a public hearing. He added that they hope things are not set in stone and that the department is really hearing them.

The other commissioner asked to reiterate that she hopes their comments will give pause and cause the department to possibly change the office hours back to two days a week, and added how huge it would be for their county if it will do that.

RESPONSE NO. 23: The department assures the commissioners that it did not offer the public hearings as a matter of mere formality. The comments received during the hearing and comment period of a rulemaking process are always helpful and valuable to the department. The department appreciates the time that county officials, employees, and citizens took to participate in the hearings. As stated in the above responses, the department is amending the proposed rule to incorporate recommendations and comments from the public hearings.

As also provided in response number 19, the department carefully reviewed all available data when determining the staffing needs for Meagher and all of the county offices slated for alternative business office hours as part of the new rule. The department will continue to monitor workloads and adjust staffing levels as needed.

If any of the established alternative business office hours need to be adjusted in the future, the rule will be amended accordingly.

3. As a result of the comments received, the department adopts New Rule I (42.2.705) as follows, new matter underlined, deleted matter interlined:

NEW RULE I (42.2.705) ALTERNATIVE COUNTY BUSINESS OFFICE HOURS (1) Section 2-16-117, MCA, requires the department to adopt office hours

which are outside of the regular 8 a.m. to 5 p.m. business day and 40-hour business week, as necessary, in county offices where the business office is fully staffed with four or fewer employees, and is not available to conduct both business office and field work at the same time.

(2) The alternative hours may also include times when a department employee is out of the business office for the purposes of providing assistance in another similarly situated county office. Should the business office need to temporarily close during the hours described in (3) for an emergency or personal employee leave, the department will provide advance notice to the public of such closures as appropriate.

(3) Counties that meet the conditions provided for in statute are listed below, along with their established alternative business office hours of operation:

- (a) Blaine County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Wednesday, and Thursday; 8 a.m. to 12 noon Friday; ~~closed Tuesday;~~
- (b) Broadwater County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday through Thursday; ~~closed Friday;~~
- (c) Carter County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday through Wednesday; ~~closed Thursday and Friday;~~
- (d) Daniels County Office, ~~open~~ business office hours 8 a.m. to ~~noon~~ 5 p.m. Monday through and Tuesday; 8 a.m. to 12 noon Wednesday; ~~closed Thursday and Friday;~~
- (e) Garfield County Office, ~~open~~ business office hours 8 a.m. to 5 p.m., Monday through Wednesday; ~~closed Thursday and Friday;~~
- (f) Golden Valley County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Tuesday, and Friday; ~~closed Wednesday and Thursday;~~
- (g) Granite County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Tuesday, and Thursday; ~~closed Wednesday and Friday;~~
- (h) Judith Basin County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday and Wednesday; 8 a.m. to 12 noon Friday; ~~closed Tuesday and Thursday;~~
- (i) Liberty County Office, ~~open~~ business office hours 8 a.m. to 12 noon Monday through Friday;
- (j) McCone County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday through Wednesday; ~~closed Thursday and Friday;~~
- (k) Meagher County Office, ~~open~~ business office hours 8 a.m. to ~~5 p.m.~~ 4 p.m. Wednesday; ~~closed Monday, Tuesday, Thursday, and Friday;~~
- (l) Musselshell County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday through Wednesday; ~~closed Thursday and Friday;~~
- (m) Petroleum County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Thursday, and Friday; ~~closed Tuesday and Wednesday;~~
- (n) Pondera County Office, ~~open~~ business office hours 8 a.m. to 12 noon Monday through Thursday; 8 a.m. to 5 p.m. Friday;
- (o) Powder River County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Wednesday, and Thursday; ~~closed Tuesday and Friday;~~
- (p) Prairie County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday through Wednesday; ~~closed Thursday and Friday;~~
- (q) Treasure County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Wednesday, and Friday; ~~closed Tuesday and Thursday;~~ and

(r) Wheatland County Office, ~~open~~ business office hours 8 a.m. to 5 p.m. Monday, Tuesday, and Friday; ~~closed Wednesday and Thursday.~~

(4) During the months of January and July of each year, the department will publish, in the local newspaper, the business office hours for each location stated in (3).

AUTH: 2-16-117, 15-1-201, MCA

IMP: 2-16-117, MCA

4. An electronic copy of this notice is available on the department's web site, revenue.mt.gov. In the left hand column under Quick Links, select "Laws and Rules," then "Rules," and then "Adoption Notices." The department strives to make the electronic copy of this notice conform to the official version of the notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the notice and the electronic version of the notice, only the official printed text will be considered. While the department also strives to keep its web site accessible at all times, in some instances it may be temporarily unavailable due to system maintenance or technical problems.

/s/ Laurie Logan  
LAURIE LOGAN  
Rule Reviewer

/s/ Mike Kadas  
MIKE KADAS  
Director of Revenue

Certified to Secretary of State November 4, 2013