

HOUSE BILL NO. 144

INTRODUCED BY FOSTER, KOEHNKE, J. RICE, BERGSAGEL,
KASTEN, STEPLER, BARDANOUVE, CODY, G. BECK, CLARK,
H.S. HANSON, SCOTT, L. NELSON, GRINDE, SCHYE, SVRCEK

IN THE HOUSE

JANUARY 10, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON HIGHWAYS & TRANSPORTATION.

 FIRST READING.

JANUARY 15, 1991 ON MOTION, ADDITIONAL SPONSORS ADDED.

FEBRUARY 22, 1991 COMMITTEE RECOMMEND BILL
 DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 23, 1991 PRINTING REPORT.

 SECOND READING, DO PASS AS AMENDED.

FEBRUARY 25, 1991 ENGROSSING REPORT.

FEBRUARY 26, 1991 THIRD READING, PASSED.
 AYES, 95; NOES, 2.

 TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 27, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON HIGHWAYS & TRANSPORTATION.

 FIRST READING.

APRIL 3, 1991 COMMITTEE RECOMMEND BILL BE
 CONCURRED IN AS AMENDED. REPORT
 ADOPTED.

APRIL 5, 1991 SECOND READING, CONCURRED IN.

APRIL 6, 1991 THIRD READING, CONCURRED IN.
 AYES, 36; NOES, 12.

 RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991 RECEIVED FROM SENATE.

APRIL 10, 1991

SECOND READING, AMENDMENTS
CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0144, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring state agencies to take all reasonable steps to ensure that gasohol is used in state vehicles; requiring records be kept on the use of gasohol; and requiring review of the records by the legislative auditor.

ASSUMPTIONS:


1. The proposed law would require the use of gasohol in state vehicles if (1) reasonably and commercially available within the operating area of the vehicle, and (2) priced competitively with motor vehicle fuel otherwise used by the vehicle.
2. "Priced competitively" means if the price of gasohol is equal to or less than the price of gasoline, then state agencies would be required to use gasohol. On the other hand, if the price of gasoline is less than gasohol, then state agencies would not be required to use gasohol. Therefore, HB0144 will have no effect on current or projected expenditures by state agencies for motor fuel.
3. Highway patrol vehicles and vehicles incapable of using gasohol (i.e.- pre 1972 vehicles) are exempt from the provisions of the proposed law. Therefore, HB0144 will have no effect on current or projected expenditures by state agencies for vehicle maintenance.
4. The recordkeeping requirements of HB0144 may increase the operational cost of some state agencies. However, some state agencies are capable of incorporating the recordkeeping requirements into existing management information systems without any increase in cost. The overall effect of the recordkeeping requirements stipulated in HB0144 upon state agencies would be minimal and/or indeterminable.

FISCAL IMPACT:

None

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The use of gasohol by state agencies may have an impact on the production of gasohol in Montana. An increase in the production of gasohol would increase the tax incentive payments for gasohol production. These incentives are paid from license tax for gasoline distributors. Incentive payments are capped at \$1.25 million for any consecutive 12 month period. In FY90 \$360,000 in gasohol production tax incentives were paid. Gasohol incentives are scheduled to be terminated on July 1, 1993.


ROD SUNDSTED, BUDGET DIRECTOR
Office of Budget and Program Planning

1-17-91
DATE


MIKE FOSTER, PRIMARY SPONSOR

1-17-91
DATE

Fiscal Note for HB0144, as introduced.

HB 144

House BILL NO. *144*

Costen
INTRODUCED BY *Rep. Foster, Hahnke, Rice, St. Bernard, Stephens, Boylston, Cady, Beck, Clark, Williams*

LEAVE THE GROUND

help

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2
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING AGENCIES OF
5 STATE GOVERNMENT TO TAKE ALL REASONABLE STEPS TO ENSURE THAT
6 GASOHOL IS USED IN STATE VEHICLES; REQUIRING RECORDS TO BE
7 KEPT ON THE USE OF GASOHOL; AND REQUIRING REVIEW OF THE
8 RECORDS BY THE LEGISLATIVE AUDITOR."
9

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

11 NEW SECTION. **Section 1.** State vehicles to use gasohol
12 -- definition -- record of purchase required -- audit --
13 exception. (1) Except as provided in subsection (6), each
14 department, agency, institution, office, board, and
15 commission of the executive, legislative, and judicial
16 branches of state government and each state institution of
17 higher education owning or operating a motor vehicle capable
18 of burning gasohol shall take all reasonable steps to ensure
19 that the operators of those vehicles use gasohol in the
20 vehicles if gasohol is reasonably and commercially available
21 within the operating area of the vehicle and is priced
22 competitively with the motor vehicle fuel otherwise used by
23 the vehicle.

24 (2) For purposes of this section, "gasohol" means
25 gasoline blended with ethanol for use in internal combustion

1 engines.
2 (3) An entity subject to the requirements of subsection
3 (1) shall require that each purchase of gasohol by the
4 operator of a motor vehicle using gasohol is reported to
5 that entity by the motor vehicle operator.
6 (4) An entity subject to the requirements of subsection
7 (1) may not take any disciplinary, judicial, administrative,
8 or other adverse action against the operator of a motor
9 vehicle for failing to purchase gasohol for the operation of
10 the motor vehicle.
11 (5) An entity subject to the requirements of subsection
12 (1) shall retain for the period of time required by law the
13 record of the purchase of gasohol for each vehicle in which
14 gasohol is used. The purchase records must be reviewed by
15 the legislative auditor during every financial audit of the
16 entity.
17 (6) Subsection (1) does not apply to the highway
18 patrol.

-End-

APPROVED BY COMMITTEE
ON HIGHWAYS & TRANSPORTATION

HOUSE BILL NO. 144

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of burning gasohol shall take all reasonable steps to ensure
that the operators of those vehicles use gasohol in the
vehicles if gasohol is reasonably and commercially available
within the operating area of the vehicle and is priced
competitively with the motor vehicle fuel otherwise used by
the vehicle.

(2) For purposes of this section, "gasohol" means
~~gasoline-blended-with-ethanol-for-use-in-internal-combustion~~
~~engines~~ ALL PRODUCTS COMMONLY OR COMMERCIALY KNOWN OR SOLD
AS GASOHOL AND USED FOR THE PURPOSE OF EFFECTIVELY AND
EFFICIENTLY OPERATING INTERNAL COMBUSTION ENGINES,
CONSISTING OF NOT LESS THAN 10% ANHYDROUS ETHANOL PRODUCED
FROM AGRICULTURAL PRODUCTS, INCLUDING WOOD OR WOOD PRODUCTS.

(3) An entity subject to the requirements of subsection
(1) shall require that each purchase of gasohol by the
operator of a motor vehicle using gasohol is reported to
that entity by the motor vehicle operator.

(4) An entity subject to the requirements of subsection
(1) may not take any disciplinary, judicial, administrative,
or other adverse action against the operator of a motor
vehicle for failing to purchase gasohol for the operation of
the motor vehicle.

(5) An entity subject to the requirements of subsection
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record of the purchase of gasohol for each vehicle in which
gasohol is used. The purchase records must be reviewed by
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entity.

~~(6)--Subsection--(1)--does--not--apply--to--the--highway~~
~~patrol.~~

-End-

-2-



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 21 the legislative auditor during every financial audit of the
 22 entity.

23 ~~{6}--Subsection--(1)--does--not--apply--to--the--highway~~
 24 ~~patrol--~~

-End-

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SENATE STANDING COMMITTEE REPORT

Page 1 of 1
April 3, 1991

MR. PRESIDENT:

We, your committee on Highways and Transportation having had under consideration House Bill No. 144 (third reading copy -- blue), respectfully report that House Bill No. 144 be amended and as so amended be concurred in:

1. Page 1, lines 14 and 15.
Following: "audit" on line 14
Strike: " -- exception"

2. Page 1, line 15.
Strike: "Except as provided in subsection (6), each"
Insert: "Each"

Signed: *Cecil Weeding*
Cecil Weeding, Chairman

LB 4/3/91
Amd. Coord.

SB 4/3 10:45
Sec. of Senate

SENATE
HB 144

HOUSE BILL NO. 144

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(2) For purposes of this section, "gasohol" means ~~gasoline-blended-with-ethanol-for-use-in-internal-combustion engines~~ ALL PRODUCTS COMMONLY OR COMMERCIALY KNOWN OR SOLD AS GASOHOL AND USED FOR THE PURPOSE OF EFFECTIVELY AND EFFICIENTLY OPERATING INTERNAL COMBUSTION ENGINES, CONSISTING OF NOT LESS THAN 10% ANHYDROUS ETHANOL PRODUCED FROM AGRICULTURAL PRODUCTS, INCLUDING WOOD OR WOOD PRODUCTS.

(3) An entity subject to the requirements of subsection (1) shall require that each purchase of gasohol by the operator of a motor vehicle using gasohol is reported to that entity by the motor vehicle operator.

(4) An entity subject to the requirements of subsection (1) may not take any disciplinary, judicial, administrative, or other adverse action against the operator of a motor vehicle for failing to purchase gasohol for the operation of the motor vehicle.

(5) An entity subject to the requirements of subsection (1) shall retain for the period of time required by law the record of the purchase of gasohol ~~for-each-vehicle-in-which gasohol-is~~ used. The purchase records must be reviewed by the legislative auditor during every financial audit of the entity.

~~(6) Subsection (1) does not apply to the highway patrol.~~

-End-

