

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into this 1st day of July, 1991, between the Department of Commerce (DOC) and the Department of Highways (DOH). The purpose of this Memorandum is to facilitate the orderly transfer of Transportation and Aeronautics Divisions of the DOC to the Department of Transportation (DOT).

The DOC and the DOH agree as follows:

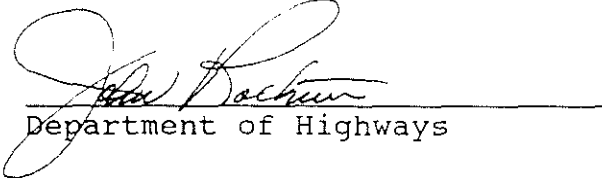
1. The DOC will transfer all fixed assets (except the terminals which are incompatible with DOH's computer systems) to the DOT on or before July 31, 1991.
2. The DOC will process all claims, payrolls, collections, accruals, etc., through fiscal year 1991 and activities.
3. The DOC will prepare and coordinate the fiscal year 1992 budget and SBAS turnaround documents.
4. The DOC will provide office space as required until the actual physical move of the Transportation Division which is estimated to occur on December 13, 1991. DOT will pay rent as required through actual physical move.
5. The DOC will complete all grievance proceedings initiated prior to July 1, 1991.
6. The DOC will transfer all balance sheet accounts of the Transportation and Aeronautics programs to the DOT in fiscal year 1992.
7. The DOC will, on or before July 31, 1991, transfer all applicable FTEs and budget authority to the DOT in accordance with the provisions set forth during the 52nd Legislature.

8. The DOC will transfer all personnel records and files of Transportation and Aeronautics Divisions' employees to the DOT on or before July 31, 1991.

9. The DOC will transfer all budget development work papers and applicable fiscal notes to the DOT on or before July 31, 1991.

10. The DOC will transfer all property ownership interest, of any and all kind, in the property and attendant facilities maintained and acquired by DOC, affected by Senate Bill 164, to the DOT in an expedited manner but shall be accomplished on or before December 1, 1991.


Department of Commerce


Department of Highways

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into this 1st day of July, 1991, between the Department of Revenue (DOR) and the Department of Highways (DOH). The purpose of this Memorandum is to facilitate the orderly transfer of the Motor Fuels Tax Division of the DOR to the newly created Department of Transportation (DOT).

The DOR and the DOH agree as follows:

1. The DOR will continue to collect IFTA and Motor Fuel taxes in cashiering and account for revenues and refunds and process refunds on the DOR Revenue Control, Motor Fuels, and Accounts Receivables Systems until the DOT systems are operationally transferred (estimated July 2, 1992).
2. The DOR will update the Motor Fuels Automated System for all changes required by 1991 legislation and/or 1991 Legislative Audit recommendations.
3. Motor Fuels Tax Division employees will continue to use DOR automated systems until they are transferred. DOR will provide the assistance, analysis support, documentation, etc., necessary to transfer the existing automated systems to the DOT.
4. The DOR will provide office space rental and staff support for the Motor Fuels Division where required until the actual physical move of the Motor Fuels Tax Division which is estimated to occur on September 13, 1991. The Audit staff will move on or about July 1, 1991.

5. The DOR will process all claims, payrolls, collections, accruals etc., through fiscal year end 1991 activities.

6. The DOT will assume supervisory control and administration of the Motor Fuels Tax Division on July 1, 1991.

7. The DOR will transfer all personnel records and files of Motor Fuels Tax Division employees to the DOT on or before July 31, 1991.

8. The DOR will, on July 1, 1991, transfer all Motor Fuels Tax Division records, IFTA files, recent state and federal audits, and interim audit communications to the DOT.

9. The DOR will prepare and coordinate the fiscal year 1992 budget and SBAS turnaround documents.

10. The DOR will transfer all of the Motor Fuels Tax Division's equipment and property including fixed assets on record in PAMS and unused expendable supplies to the DOT on or before September 30, 1991.

11. The DOR will transfer all balance sheet accounts of the Motor Fuels Tax Division to the DOT in fiscal year 1992.

12. The DOR will, on or before July 1, 1991, transfer 1.00 FTE or remaining portions of the FTE to the DOT in accordance with the provisions of HB 2. The DOT will reimburse the DOR for services provided (.50 grade 15 and .50 grade 7 FTE) in items 1 and 3 until these functions are formally transferred to the DOT.

13. The DOR will, on or before July 31, 1991, transfer all budget development work papers and applicable fiscal notes to the DOT.

14. The DOR will complete all grievance proceedings

initiated prior to July 1, 1991.

15. The DOR will continue to assist the DOT in bankruptcy cases. This assistance will consist of:

a. Routing all notices of bankruptcy received from the Bankruptcy Courts to the appropriate contact person at DOT to determine if any motor fuels tax liability exists;

b. Filing claims on behalf of the State of Montana for the motor fuels tax liability;

c. Acting as liaison to the various Bankruptcy Courts regarding all motor fuels bankruptcy matters;

d. Providing legal counsel in adversary or complex issues, when DOR determines it to be in the best interest of Montana to do so; and

e. Receiving, processing and applying payments for claims filed collectively by DOR. These payments will be applied on a prorata basis to the taxes, depending on the claims filed.

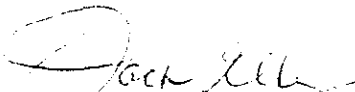
16. The DOR and DOT will cooperatively transfer the applicable motor fuels administrative rules on or before October 30, 1991.

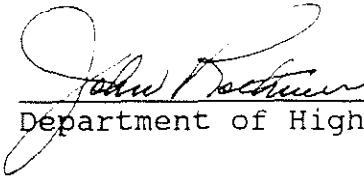
17. On July 1, 1991, the DOR will provide DOT with a list of outstanding warrants for distraint. After that date, the DOT will file and process all warrants for distraint.

18. The DOT will adopt administrative rules to implement SB 77 relating to alcohol production.

19. The DOT will assign full time technical data processing staff to assist in the transfer of DOR computer systems to the DOT. This is to ensure ongoing maintenance and support

capabilities for computer systems once they are transferred to
the DOT.


Department of Revenue


Department of Highways