

MINUTES OF THE MEETING OF THE HIGHWAYS AND TRANSPORTATION COMMITTEE  
FEBRUARY 10, 1981

The House Highways and Transportation Committee convened in Room 437 of the Capitol Building on Tuesday, February 10, 1981, at 12:30 p.m. with CHAIRMAN PAUL KROPP presiding and thirteen members present (REPS. BRAND, FABREGA and IVERSON were excused).

CHAIRMAN KROPP opened the hearing on SB 169.

SENATE BILL 169 SENATOR HEALY, sponsor, presented the bill.  
See Exhibit 1.

JAMES BECK, attorney for the Department of Highways, spoke as a proponent of the bill which would permit the monies received from the sale of highway equipment and other personal property to be deposited in a revolving fund account rather than in the earmarked revenue fund. He stressed that whether it is in earmarked funds or not, it still must be appropriated. It is a change in the way of accounting for the proceeds as requested by the Legislative Auditor.

There were no OPPONENTS.

During questions from the committee, REP. KANDUCH asked what this bill would change. MR. BECK replied that the funds would now go into a revolving fund.

SENATOR HEALY closed on SB 169 and the hearing closed.

The hearing then opened on SB 185.

SENATE BILL 185 SENATOR GRAHAM presented the bill. See Exhibit 2.

JAMES BECK, attorney with the Department of Highways, presented two amendments which made minor changes. He said this bill means that the operator pays taxes and fees in each state in proportion to the amount of mileage that is traveled in a state to his total mileage.

There were no OPPONENTS.

SENATOR GRAHAM closed on SB 185 and the hearing closed.

The hearing then opened on SB 186.

SENATE BILL 186 SENATOR GRAHAM presented the bill. See Exhibit 3.

JAMES BECK, attorney with the Department of Highways, spoke as a proponent of the bill which is to clarify which traffic control manual the department is required to adopt. They are trying to come up with a uniform system throughout the country.

There were no OPPONENTS.

During questions from the committee, REP. ANDERSON asked if this will cause a great change in signs in Montana now. The answer was

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most of the Montana signs are uniform already. The department needs to adopt this manual.

SENATOR GRAHAM closed on SB 186 and the hearing closed.

The hearing opened on HB 593.

HOUSE BILL 593 REP. BUDD GOULD, chief sponsor, presented the bill which would authorize the governor to negotiate with other states regarding institution of rail passenger service in Montana. He emphasized that this does not give him any authority to expend funds.

JAMES MULAR, representing the National Association of Rail Passengers, spoke in favor of the bill. He said this would enable the governor to negotiate with other states to provide rail service. He could negotiate and then report back to the legislature.

ED SHEEHY, representing Retired Federal Employees, said his concern is the lack of public transportation in Montana.

TOM DOWLING, Montana Railroad Association, supported the bill.

KENNETH CLARK felt this bill would be the right approach.

There were no OPPONENTS.

During questions from the committee, REP. METCALF asked how the negotiations are made when the legislature is not in session.

MR. MULAR replied that the governor could make a preliminary agreement and then present it to the legislature.

REP. GOULD closed on HB 593 and the hearing closed.

EXECUTIVE SESSION SENATE BILL 169 REP. KANDUCH moved DO PASS. PASSED unanimously. REP. OBERG will carry the bill in the House.

SENATE BILL 185 A motion was made DO PASS on the amendments. PASSED unanimously. REP. STOBIE moved the bill DO PASS AS AMENDED. PASSED unanimously. REP. KANDUCH will carry the bill in the House.

SENATE BILL 186 REP. METCALF moved the bill DO PASS. PASSED unanimously. REP. METCALF will carry the bill in the House.

HOUSE BILL 593 REP. HARP moved the bill DO PASS. PASSED unanimously.

After checking on the Fiscal Note for HB 384, the committee requested another one showing the use of sodium chloride versus calcium chloride and the costs thereof.

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REP. HARP explained the attached (Exhibit 4) resolution regarding the operations of the Department of Highways.

REP. SHONTZ stated that the funding practices are of great concern to him and he feels there is need of study of the operation.

REP. METCALF suggested that the committee consider using the Legislative Auditor's office instead of trying to arrange for an interim study.

REP. ANDERSON said the auditor could do a compliance type of audit.

The meeting adjourned at 2:00 p.m.

Respectfully submitted,

  
\_\_\_\_\_  
PAUL KROPP, CHAIRMAN

Ellen Engstedt, Secretary

## HOUSE HIWAYS &amp; TRANSPORTATION COMMITTEE

Date 2/10/81

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

# VISITORS' REGISTER

HOUSE HIWAYS & TRANSPORTATION COMMITTEE

FILED SB 169

Date 2/10/81

SPONSOR HEALY

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE HIWAYS & TRANSPORTATION COMMITTEE

Date 2/10/81

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## HOUSE HIWAYS &amp; TRANSPORTATION COMMITTEE

Date 2/10/81

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Senate Bill No. 169 was introduced at the request of the Department of Highways. The purpose of this bill is to permit the moneys received from the sale of highway equipment and other personal property to be deposited in a revolving fund account rather than in the earmarked revenue fund.

This bill amends section 18-6-103, Montana Code Annotated. Under the provisions of that section at the present time money received from the sale of highway equipment and other personal property must be placed in the earmarked revenue fund. It is therefore not available for the purchase of equipment or personal property needed to replace that which has been sold.

This bill is in response to a recommendation from the legislative auditor which recommendation states on page 56 of its Report of the Audit of the Department of Highways:

"We recommend changing section 18-6-103, MCA, to allow the Motor Pool and Equipment Division to receive the proceeds from the sales of their vehicles and equipment."

JRB:snk:7G



## SENATE BILL 185

Senate Bill No. 185 was introduced at the request of the Department of Highways. It amends certain statutes that govern the proportional registration of interstate fleets of vehicles. As you know, Montana and non-Montana carriers who travel in several states are given the option of proportionally registering their vehicles. Simply stated this means that the operator pays taxes and fees in each state in proportion to the amount of mileage that is traveled in a state to his total mileage.

In order to facilitate this the Department has entered into agreements with other states. One of these agreements is the International Registration Plan which presently covers 28 jurisdictions. The amendments in this bill for the most part conform Montana law to the International Registration Plan.

Section 1 merely changes the term "commercial" to apportionable. This is the same language used in the Plan.

Section 2 on page 4 changes the word "shall" to "may". This would allow jurisdictions or operators to send in his fees and the Department would not be required to recompute them in every instance.

Section 3 on page 6 is an attempt to clarify what a credit can be applied against. As now written the statute now speaks of "subsequent additions to the fleet". By using the terms

"additional fees due" it is clear what the credit may be applied against.

Section 4 on page 6 amends the provisions relating to the suspension of the pro-rate provision. As it is presently written the section authorizes the Department of Highways to suspend or cancel the provisions only if the International Registration Plan permits it. The Plan does not contain any such provision.

Problems occur with a few operators who deliberately understate their mileage in states in order to gain advantage. While these can be collected after an audit, there is a need to have some way to suspend or threaten to suspend the pro-rate privileges of persistent violators.

JRB:snk:10E

## SENATE BILL NO. 186

Senate Bill No. 186 was introduced at the request of the Department of Highways. The purpose of the bill is to clarify which traffic control manual the Department of Highways is required to adopt. As can be seen this section formerly specified a manual that was published in 1958. That particular manual is no longer published and the manual on uniform traffic control devices has replaced it.

The manual on uniform traffic control devices specifies the type and use of traffic signs, signals and markups. It is the method whereby the uniformity of traffic markings is maintained throughout the nation.

JRB:snk:10D

BILL NO. \_\_\_\_\_

INTRODUCED BY \_\_\_\_\_

A BILL FOR AN ACT ENTITLED: ~~"AN ACT~~ A Joint Resolution  
of the House of Representatives and the Senate  
of the State of Montana ~~regarding~~ Establishing A Interim  
Committee To Conduct A Comprehensive Study of the  
Administration and operation of the Montana Highway  
Department and the Highway Commission AND Report  
the Findings AND Recommendations of this study to  
the Forty-Eighth Legislative Assembly.

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

~~Section 1.~~ Whereas, the Montana highway department  
is the largest single department of state government, and  
Whereas, the department has no formal planning  
process in existence for incorporating long and short range  
goals; and

Whereas, there is a lack of project coordination  
between the department programs; and

Whereas, the department has shown an inability  
to maintain strict completion dates on projects; and

Whereas, the department has no contingency planning  
for project cost overruns which causes the state  
to lose large sums of interest income on federal  
matching funds which would be available, as well as  
causing the use of state funds; and

Whereas, the dual role of the department and the  
highway commission in planning and letting bids on  
projects allows each entity to shield the other  
from criticism so that no strict public  
accountability exists; and

Whereas, the roads of the state are in a  
generally deplorable condition; and

Whereas, it does not appear that Montana's  
road system will ever be completed and maintained

in an efficient and timely manner; and  
Whereas, the legislature is responsible to the electorate for the expenditure of public funds, it is particularly incumbent upon the legislature to carefully examine a department of state government of this size; and

Whereas, only after a comprehensive study of the administration and operation of the highway department and highway commission has been conducted can the legislature reach decisions on whether the department and commission are effectively and prudently expending public funds so that the people receive the highest value for their tax dollars; and

Whereas, the only feasible means of conducting such a study is a legislative interim committee; and

Whereas, such a study would be incomplete unless the interim committee studied all functions of the highway department and highway commission; studied the mechanisms used by other state highway departments and commissions, and considered methods to improve the function of the department and commission in order to make them more efficient and responsive to the public; and

Whereas, the interim committee should have the authority to hold hearings, administer oaths, subpoena witnesses, compel the attendance of witnesses, and take evidence to expedite the study in order to insure that it will be as comprehensive as possible.

Now therefore, be it resolved by the House of Representatives and Senate of the State of Montana:

That the Speaker of the house and the president of the Senate appoint an interim committee composed of four members of the house and four members of the Senate, four members from each political party, to conduct a comprehensive study of the administration and operation of the Montana highway department and Montana highway

together with their recommendations, to the Forty-Eighth Legislative Assembly.

Be it further resolved, that the committee elect a chairman from among its membership.

Be it further resolved, that the interim committee is delegated the authority to hold hearings, administer oaths, subpoena and compel the attendance of witnesses, and take evidence in the conduct of this study.

~~Be it further resolved, that the interim committee is further authorized~~

Be it further resolved, that the necessary travel and per diem expenses of the committee be provided for.

~~Be it further resolved, that the committee shall present its recommendations to the pre-1983 session caucus, together with a draft of any proposed legislation to implement the recommendations.~~

INTRODUCED BY \_\_\_\_\_

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE ACCESS  
OF THE PUBLIC TO THE HIGHWAY PLANNING  
AND CONSTRUCTION PROCESS BY APPOINTING  
A HIGHWAY COMMISSIONER FROM EACH HIGH-  
WAY FINANCIAL DISTRICT. PRESCRIBING  
MINIMUM REQUIREMENTS FOR COMMISSIONERS,  
AND AMENDING 2-15-2502."

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

## Section 1. \_\_\_\_\_

Amend 2-15-2502

2-15-2502. Highway commission. (1) The highway commission con-  
 sists of ~~five~~ 12 members. One member shall be a bona fide resident of and

appointed from each of ~~these districts, each composed of the counties named:~~

~~(a) District 1. Lincoln, Flathead, Sanders, Lake, Mineral, Missoula,  
 Ravalli, Granite, Lewis and Clark, Jefferson, Broadwater;~~

~~(b) District 2. Powell, Deer Lodge, Silver Bow, Beaverhead, Madison,  
 Gallatin, Meagher, Wheatland, Park, Sweet Grass;~~

~~(c) District 3. Glacier, Toole, Liberty, Hill, Blaine, Pondera, Teton,  
 Chouteau, Cascade, Judith Basin;~~

~~(d) District 4. Fergus, Petroleum, Garfield, Phillips, Valley, McCone,  
 Prairie, Dawson, Wibaux, Richland, Roosevelt, Daniels, Sheridan;~~

~~(e) District 5. Golden Valley, Stillwater, Carbon, Big Horn, Yellowstone,  
 Musselshell, Rosebud, Treasure, Custer, Powder River, Carter, Fallon.~~

the financial districts enumerated in 60-3-203,

(2) No two members may at the time of appointment or thereafter during  
 their respective terms of office be residents of the same district.

(3) Not more than ~~three~~ 7

members may at the time of appointment or  
 thereafter during their respective terms be members of the same political  
 party.

(4) No elective state official or state officer during the term of office to  
 which he was elected or appointed and no state employee may be a member  
 of the commission.

(5) No resolution, motion, or other decision of the commission may be  
 adopted or passed without the favorable vote of at least ~~three~~ 7

members.  
 (6) The commission is allocated to the department for administrative pur-  
 poses only as prescribed in 2-15-121.

(7) The commission is designated as a quasi-judicial board for purposes  
 of 2-15-124; however, the provision of 2-15-124(1) that at least one member  
 of a quasi-judicial board be an attorney does not apply to the commission.

(8) Commission members should have some  
knowledge of highway construction requirements and  
techniques, or be familiar with the competitive  
bidding process.