

MINUTES OF THE MEETING
HIGHWAY AND TRANSPORTATION
MONTANA STATE SENATE

March 5, 1981

The Fourteenth meeting of the Highways and Transportation Committee was called to order on the above date in Room 410 of the State Capitol Building by Chairman Mark Etchart at 1:00 p.m.

ROLL CALL:

Present: Senator Mark Etchart, Senator Tom Hager, Senator Frank W. Hazelbaker, Senator Larry J. Tveit, Senator Dave Manning, Senator Jack Healy. Absent: Senator Roger H. Elliott, Senator Carroll Graham, Senator Lawrence G. Stimatz.

CONSIDERATION OF HOUSE BILL NO. 522:

Representative Chris Stobie, District 23, told the committee this is an act amending section 61-10-209, MCA, to allow gross vehicle weight fees to be paid for 1-month or 3-month periods; and raising the fee for registration at such times. This bill will allow the small loggers and people who operate large vehicles on an intermittent basis to buy GVW from a one month to three month period.

Senator Etchart asked if there were any other proponents to HB522.

Keith Olson, Kalispell, representing the Montana Logging Association, spoke in support of HB522. He told the committee that they end up buying a permit for six months, and only use three or four of those months. He indicated the Logging Association felt this was not the intention of GVW.

Clyde Smith, Kalispell, representing Clyde Smith Logging, spoke in support of HB522. He reported to the committee that from their point of view, the revenue that would be lost would be more than offset by the road damage that is done during the spring break-up period. We don't feel that a GVW fee should be charged for a truck that is parked in someone's yard. We think that they should be able to pay by the month. It is unfair to charge for a full quarter.

Ben Havdahl, Montana Motor Carriers, told they committee they support the bill for the reasons already mentioned, and that they do have log haulers in their association.

March 5, 1981

Representative Shontz, from Sidney, told the committee he is a member of the Highway Committee in the House. He told them, when a truck is not in use it is not damaging the highway, so why should they pay the penalty. In our state of economy, the dollars should stay in the hands of the industry of the people of Montana and not in the hands of state government.

Bob Holding, Missoula, Montana, representing Montana Wood Products Association, spoke in support of House Bill No. 522. This bill will be a great help to the little logger. They had a difficult time in 1980. The little logger does not have the resources that big companies have to carry him through rough times. This type of legislation will be a great assist to him. I ask for a do pass.

Senator Etchart asked if there were any opponents to House Bill No. 522.

Don Copley, Department of Highways, told the committee they do not support or oppose this bill, but they have a concern in the loss of revenue this will create, if passed. We have had an opportunity to study the bill since it was passed out of the House, and we feel that there will be a significant loss of revenue. The loss would be from \$250,000 a year to \$350,000 a year. This is our main concern with the bill. The bill would also necessitate administrative changes and costs to implement the issuance of permits. However, this problem can be worked out. There are two factors in the bill that would tend to offset this. One is the \$5 charge for each GVW license issued. This will help offset the additional administrative costs. He gave the committee a handout. See Exhibit "a". Mr. Copley went over the handout in detail.

Less Simpkins, Office of Budget and Program Planning, told the committee this bill will have a financial impact to the Highway Earmarked Account. He said had they known they would have ordered a fiscal note on the bill. He requested the committee ask for a fiscal note before taking action on the bill.

Senator Etchart asked if there were any questions from the Committee:

Senator Hager asked Mr. Olson how much money the truckers will save.

Mr. Olson said they would save approximately \$60 per month.

In Closing, Representative Stobie, told the committee there are a lot of loggers who do not register for those

months at all. That coupled with the increased registration fee, he thought it would be much less than \$250,00 loss in revenue. He pointed out to the committee that some farmers have to buy two quarters of GVW to move their wheat from the farm to the elevator. This would be a savings to them.

CONSIDERATION OF HOUSE BILL NO. 299:

Representative Shontz, Chief Sponsor of HB299, told the committee this is an act to exempt a person receiving a permit for the movement of agricultural products from single trip permit fees. This bill provides a term permit, and the cost would be \$100 for farm vehicles to move farm commodities from point of harvest to full term of season. This bill does not apply to the interstate highways. It does not allow operators of farm vehicles to go over weight 20% per axle per truck. The Maximum speed limit would be 40 mph. It also limits the distance they can travel to a 50 mile radius from the farm. The stimulus for this legislation came from the sugar beet farmers. They can collect a ton of mud on a beet truck. And, that is true in any field. It allows truck term permit vehicle to go from 18,000 to 24,000 pounds maximum load. The legislation is based on legislation in the State of South Dakota. We are basically taking what they have done and applied it to our unique needs in Montana.

Senator Etchart asked if there were any proponents to HB299.

Ben Havdhal, Montana Motor Carriers, told the committee when the bill was introduced in the House, it has been drafted by Legislative Council and they opposed the bill because it was very broad in its application. After the bill had been amended as it is now, we have no objection. We were concerned with overweight and federal interstate monies, and since they have been resolved, our objections are removed.

Senator Etchart asked if there were any opponents to HB299.

Beate Golda, Department of Highways, said the Department is opposed to SB299. The purpose of the weight statutes is to protect the road system. The greater amount of weight the faster the road deteriorates. Also, to this point, the Legislature has never passed weight standards that benefit a select group. The weight limits are the same, there is no discrimination. This bill discriminates in favor of the farmers and ranchers. It would, I think, set a precedent, in that the loggers and miners would also want it, and it would be a seasonal thing.

March 5, 1981

Miss Golda further stated that road deterioration is caused by over weight. Senator Tveit has a bill that passed the Senate and is presently in the House, that would restrict weight to 600 lbs per tire width. If that becomes law, then the provision in HB299 for the 20% increase would permit a maximum of up to 750 pounds instead of 600 pounds. The Department would like to propose an amendment, which would restrict the weight to the 600 pounds limit.

P. 4, line 14.

Following: "axle"

Insert: "but the maximum load per inch of tire width may not exceed 600 pounds"

Miss Golda said they still oppose the bill with the amendment, but it would help somewhat with the roads. We oppose the bill because it is discriminatory and creates permissible road permits.

Don Gruel, Department of Highways, told the Committee he believes the bill would allow further deterioration, road break-up, of the present road system, during times of harvest season in any agricultural product. The Department stands in opposition of this bill.

Senator Etchart asked if there were any questions from the Committee:

Senator Hager asked if beets were usually harvested in the fall and if springtime is the most critical time for the roads.

Mr. Gruel, said yes, spring is the most critical, but a lot of Montana's highways are not constructed for the standard load limits present today. It is really occurring year round rather than just in the spring.

Senator Etchart told the committee they will hold the bill and leave it open so that further testimony may be heard from people who were not able to attend the meeting.

Representative Shontz said he would wait to close until the individuals that were going to testify had done so.

FURTHER BUSINESS:

Senator Etchart asked the secretary, Carol Frasier, to order a Fiscal Note on House Bill No. 522.

ADJOURNMENT:

There being no further business of the committee, they adjourned. The next meeting of the Highway and Transportation Committee will be on Saturday, March 7, 1981, at 1:00 p.m.

March 7, 1981

Mark Etchart
Senator Mark Etchart, Chairman

cdf

ROLL CALL

SENATE HIGHWAYS & TRANSPORTATION COMMITTEE

47th LEGISLATIVE SESSION - - 1981

Date 3/5/81

NAME	PRESENT	ABSENT	EXCUSED
SENATOR MARK ETCHART	✓		
SENATOR TOM HAGER	✓		
SENATOR FRANK W. HAZELBAKER	✓		
SENATOR ROGER H. ELLIOTT		✓	
SENATOR LARRY J. TVEIT	✓		
SENATOR DAVE MANNING	✓		
SENATOR CARROLL GRAHAM		✓	
SENATOR JACK HEALY	✓		
SENATOR LAWRENCE G. STIMATZ		✓	
VERDON - Legislative Council	✓		

Each day attach to minutes.

DATE 3/5/81

COMMITTEE ON Highways

VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

NAME: Ben Hersh DATE: 3/5/81

ADDRESS: _____

PHONE: _____

REPRESENTING WHOM? ADONIS ATEL CARRIERS

APPEARING ON WHICH PROPOSAL: H15522

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: B. B. HOLDING DATE: 3-5-81

ADDRESS: 316 SARDIS CENTRAL BLVD - MISSOULA MT 59801

PHONE: 728-3650

REPRESENTING WHOM? WIT WOOD PRODUCTS ASSOC.

APPEARING ON WHICH PROPOSAL: HB 522

DO YOU: SUPPORT? AMEND? OPPOSE?

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

HOUSE BILL NO: 522 - Department of Highways comments:

1. The Department of Highways can expect to lose at least \$250,000. each year and possibly as much as \$350,000. each year if HB 522 is passed.
2. This amount is arrived at as follows:
 - a. There are approximately 800 logging trucks and trailers which would realize a savings of 2 months of G.V.W. fees a year over what they are now paying.
 - b. The one month amount for a logging truck and trailer is \$58.48.
 $800 \times 58.48 = \$47,000$ for one month. Two months would equal \$94,000- rounded to \$100,000. This figure confirmed with the Montana Logging Association.
 - c. Based on the ratio of logging trucks (which are licensed at 75% of the full G.V.W. fee) to the number of vehicles licensed at full fee we could expect to lose between \$150,000 and \$200,000 for each month of G.V.W. saved by the vehicles licensed at the full fee.
 - d. Several firms contacted showed that they would average a $1\frac{1}{2}$ months savings a year for the vehicles licensed at the full fee. Using an average of \$175,000 (par.c) $\times 1\frac{1}{2}$ months would indicate a revenue loss of \$262,500 per year - rounded to \$250,000.
 - e. The total estimated loss of revenue would then be \$350,000 (\$100,000 in par.b plus \$250,000 in par. d).
3. Two other factors enter which would tend to reduce the \$350,000. They are:
 - a. The amendment to charge \$5 for each G.V.W. receipt form issued.
 - b. The potential gain of one or two months G.V.W. from vehicles that presently are left out of quarter of G.V.W.
4. The Department would have additional administrative work and the present system of stickers used for enforcement purposes would have to be changed or eliminated because of time constraints. This is not an insurmountable problem.
5. The last increase in the G.V.W. fee schedule was enacted by the 1967 Legislature and was effective January 1, 1968.

Amendment to House Bill No. 299

Proposed by the Department of Highways (The Department, however, would oppose this bill even with the amendment, but the amendment would help protect roadbeds.)

P. 4, line 14.

Following: "axle"

Insert: "but the maximum load per inch of tire width may not exceed
600 pounds"