

MINUTES OF THE MEETING
HIGHWAYS & TRANSPORTATION COMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

January 27, 1987

Rep. John Harp, Chairman, called this meeting to order at 1:00 p.m. in Room 317 of the Capitol, Helena.

ROLL CALL

All members were present. Mary McCue, legislative council researcher for this committee, was present.

Bills to be heard were HB 169, HB 221, HB 178.

HOUSE BILL 169

Rep. Bob Gilbert, House District #22, Sidney, sponsored HB 169 which is an act removing trailers and semitrailers from vehicles eligible for gross vehicle weight special fees for farm vehicles; amends 61-10-206, MCA. Farm vehicles pay a 16% GVW fee in Montana. logging trucks pay 75%, and commercial trucks pay 100%. The intent of this bill is to limit and clarify who is entitled to purchase GVW special fees at 16%. Under current law, farmers and ranchers with bona fide farm vehicles pay the 16% fee on motor trucks, trailers and semitrailers owned and operated by them in transportation of their own farm or ranch products to market. The present law includes semitrailers, but does not include truck tractors required to pull semitrailers. Under current statutes they have never been allowed to purchase 16% fees legally because of definitions pertaining to a fifth wheel tractor. The Montana Highway Department has been allowing them to purchase under these fees primarily because they didn't know they were.

In the spring of 1986 the Motor Fuels Tax Division, in conjunction with the GVW Division, began an audit program for the approval of both Departments. They audited 13 elevators and 75 operators licensed to haul with 16% GVW fees. The audits revealed a substantial number of operators hauling grain and livestock commercially at the 16% fees when 100% fees were required. Of the total operators audited, over 50% were found to be in violation of the law. In the last six months, the GVW staff have written 35 citations for violations of this type. On an 80,000# rig the state is losing about \$1010 per vehicle per year on a grain truck. On a stock truck it amounts to about \$582 per vehicle per year.

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Also, there are some very interesting statistics as to where the GVW's were distributed throughout Montana. There are 1,007 trucks grossed at 46,000# paying 100% fees; 874 paying 16%; 340 at 48,000# paying 100% and 305 paying 16%; at 52,000# gross there are 103 that pay 100%, 105 that pay 16%; at 54,000# gross, there are 126 paying at 100%, 122 at 16%; at 56,000# there are 51 that pay 100%, 37 that pay 16%; at 58,000# gross there are 6 paying 100%, 15 that pay 16%; at 60,000# there are 9 at 100%, and 28 at 16%. This roughly breaks down to about half the trucks that are registered in the state are paying 16% GVW fees. It is pretty interesting that the trucks paying at 16% probably do just as much damage to the highway as those trucks paying 100%, although they are paying considerably less.

This was broken down further by counties and it was interesting to note the number of trucks over 26,000# gross. In Carbon County there are 112 that pay 100%, 379 at 16%; in another county there were 135 at 100%, 258 at 16%; in another 336 at 100%, 776 at 16%. Total trucks registered in Montana paying 100% GVW fees on 26,000# and above is 9168. Total trucks registered in Montana paying 16% GVW fees are 14,089. There are a lot more trucks paying 16% fees than are paying 100%. There are approximately 2472 logging trucks running on the 75% fee. In itself that isn't such a problem except that of all those trucks running under the 16% fee, there are a lot of trucks hauling commercially. They are depriving Montana of tax revenue, and have an unfair advantage in the competitive market because of their paying only 16% rather 100% fees. That is not fair to those people who are trying to make a living as bona fide commercial truckers. He submitted several pieces of information, EXHIBIT #1.

PROPONENTS - None

OPPONENTS

BOB TULLY, Roundup, representing a family ranching enterprise has operated a heavy duty truck for 14 years. They are not in competition with legally licensed commercial haulers who are seeking outside hauling business over the road. They haul their own cattle and hay, and would like to continue to do so operating their own equipment. Farm and ranch vehicles operated by bona fide farm and ranch operators hauling their own produce are not on the road 365 days a year pounding up the highways. They are strictly part time; however in his 14 years experience operating such a vehicle, he found it is not a good answer to try to part-time license and permit a vehicle by the month or by the quarter because of the vagaries of the market situation. In the livestock business,

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a deal is made on Friday night by telephone and you would like to haul the cattle Saturday, but the court house doesn't open until Monday, and you are illegal if you haul those cattle. It doesn't work. In his experience you cannot plan your year's trucking needs precisely enough so you can buy a part-time permit and operate under that system. If, as Rep. Gilbert states, a lot of trucks are operating under the 16% fee, some research into the figures that represent the bona fide agricultural operators as differentiated from the outlaws would be more pertinent. It seems he is talking about the outlaws who are using the 16% license to earn a living running a truck and not paying their rightful share of the taxes. This seems to be an enforcement policy and not a licensing one. It is his understanding that it is already legal for persons holding a 16% license to commercially haul livestock, cattle, grain, or any other commodity, and that there is a problem of enforcing existing law instead of enacting a bandaid approach through legislation. Based on his last year's licensing costs, it would increase his cost to \$1132.72 from \$282.22. That is a mammoth tax increase to an operator who is doing his own work. He suggested very sincerely that this is the wrong answer to the problem.

KIM INKRUD, representing the Montana Association of State Grazing Districts which represents the 30 grazing districts in Montana and includes approximately 600 ranchers, opposes HB 169 for the following reasons: For a rancher who does not haul commercially, this bill would create an additional operating expense without income to offset it. He urged the committee to not pass this bill. See EXHIBIT #2.

SHIRLEY BALL, representing WIFE, is concerned about the family farmers who do haul for themselves as this legislation would increase fees on their trucks if such a bill were passed. She urged a do not pass consideration.

CHUCK HAHN, Townsend, representing a family ranch operation, agreed with Mr. Tully. In the spring and fall when they haul someone else's cattle, they rate for that quarter at 100%. Also a good share of their hauling is done off the highway. When delivering hay, a lot of times they drive 25-30 miles on gravel roads, so they don't use the secondary system which is in poor shape in many parts of the state. The bona fide farmer and rancher hauling his own product should not be asked at this time to pay an increased fee.

QUESTIONS (OR DISCUSSION) FROM THE COMMITTEE

Rep. Swysgood asked the sponsor if a tractor is not eligible for a 16% license plate. Jesse Monroe, DOH, answered that is

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correct under current law. The law provides that motor trucks, trailers and semitrailers can purchase the 16% licenses. Nowhere in the law does it mention truck tractors. They have been granting truck tractors the 16% license because a semitrailer can't be pulled without a truck tractor. With a dolly on the front of it, it becomes a trailer. Rep. Gilbert advised SB 169 will apply only to those grossed at or above 46,000#. They are looking for the 5-axle rigs, because that is where the violations have been found. They haven't been found with the 2-axle trucks running from farm to market, and they haven't been found in bobtails. It has been found with combination rigs and truck trailer rigs.

Rep. Swysgood reminded Rep. Gilbert about his bill that was in this committee before. He liked that bill better and felt it would address the problem better than this bill. Rep. Gilbert shared his concern.

Rep. Campbell said if the percentage in violation is 40%, then the other 60% will be punished with this bill. Rep. Gilbert stated that is the way the bill is written.

Rep. Harp was surprised at the number of vehicles that are registered under the 16%. It appears that half the truckers in Montana are involved in agriculture and are using this exemption. The gentleman from Roundup was saying this bill maybe addressed a problem, but the real problem is with enforcement. If 50% of the vehicles registered are paying 16%, there is really something wrong. There are a lot of people falling under this classification that really shouldn't be there.

Mr. Monroe said the figures that Rep. Gilbert gave were generated from the computer system at the Highway Department. This has been a problem for a long time and they are looking at their enforcement. Currently, they lack anything to do other than to charge the illegal driver 100% fees for whatever term. If he is on a monthly permit, they can only require him to buy a month of 100% commercial fees. The next month he goes right back into the county and buys his 16% again. If he is on quarter, he can do that the next quarter. They see HB 168 as a positive move on this. This is a problem, and there is another statute in the law that provides if they catch people with expired GVWs, they can go back and make them purchase GVW for the entire year less what they have already paid. There is a possibility that could be looked at.

Rep. Harp thought a lot of fuel tax exemptions for off-road use for farm vehicles could also be abuses. Mr. Monroe said

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that was a possibility.

Rep. Gilbert closed saying the intent of this bill was to get attention to the problem. Those testifying as opponents of this bill are the innocents. They are the ones that aren't hauling illegally, and he certainly didn't wish to punish them. This bill is flawed in that respect. It is sad you have to punish 90% of the people to get at 10%. He doesn't want that to happen. He is just trying to clarify the fact that this problem exists. Rep. Harp is entirely right though. There is a great possibility that not only is the state losing a lot of money on GVW fees, but maybe a lot of money on fuel taxes. That makes the rest of us pay more and we pay enough. He suggested the committee take this bill and HB 168 and arrive at a conclusion that would not hurt the bona fide farmer and rancher, but would close the door on the illegal operators in Montana. A patrolman cannot shut a truck down unless he has a good reason, although a PSC officer can. He would be glad to work with a committee on any solution that will help solve the problem.

HOUSE BILL 221

Rep. Bob Gilbert, House District #22, sponsored HB 221 which is an act transferring from the Department of Revenue to the Department of Highways functions relating to gasoline fuel taxes and license taxes on vehicles propelled by liquified petroleum gas. The intent of this bill is to transfer from the DOR to the DOH the fuel tax collection function for Montana. This bill is a side effect bill to an intent that we had through the Motor Carriers Association to have what is known as Base State Fuel Tax Reporting, similar to prorating licenses that we use now in almost all the states in the U.S. This proposal has been strongly endorsed by the National Council of Governors and the National Governors' Association. Don Copley is here this afternoon to explain the basis of this particular type of fuel reporting. It is similar to the way we prorate now.

In following through with this desire, we also found it would be far more functional if we could combine the fuel tax reporting with the GVW fee reporting in the prorating that is being done now. The DOH has a computer system in place. They have been doing most of the reporting. He carried a bill in 1985 where Montana was allowed for the first time a fuel permit number to be put on the card carried in the cab, thereby eliminating the need to carry an extra fuel permit. That was the initial step in base state fuel reporting. It is one of those things you will do under this system.

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There are about 900 Montana prorated base truckers, and those are trucks you can run, not only in Montana, but in several other states. His is prorated in two and has authority in 48. The possibility exists we could run in almost any state in the Union. at the present time, you have to make a fuel report back to each state which requires a lot of paper work. These truckers would benefit from fuel tax reporting. There is a lot of fuel tax money collected that goes to the DOH. It is used for maintenance of highways in Montana. Around \$18 million in fuel taxes and \$22 million from GVW fees are collected.

Some savings are estimated to be made through this move, not only the convenience for one-stop shopping for truckers, because licenses can be prorated, GVW fees figured, fuel bonds and permits obtained, and application for authority all can be made in one building. By moving the Motor Fuels Tax Division to the DOH it will save approximately \$116,100 in FY 1988, \$97,500 in FY 1989, and \$500 in FY 1989 that they would not have to pay the DOR for administrative costs. Those are dollars that probably could and should be spent on highways in the State. About \$110,420 a year could be saved in rent. The biennium savings would be about \$120,840. Breaking it down further, biennium savings for a part-time janitor would be \$19,730, an automobile \$8,952 which all adds up to be about \$265,000 in the coming biennium. There could possibly be more savings if the Division is moved and evaluated for possible duplication of effort. HB 221 provides a mechanism for saving money and making the state more efficient in addition.

John LaFaver, DOR, has some concerns because of some investments he has made in the computer system. He is not overly committed on those yet, but perhaps the two departments could work together to resolve this problem. It is a good way to save some dollars to get an efficient system going. The system that has been recommended is going in state by state nationwide and is just getting started, so there aren't a lot of states that have adopted the RIP on the fuel yet, but it is a thing they are all working on. I think there are three or four applications in different states to do it this year.

PROPONENTS

BEN HAVDAHL, representing the Montana Motor Carriers Association, is slightly confused. This whole issue of the National Governors Association consensus agenda on behalf of the interstate motor carriers has been developing for the last two years and they have followed the recommendations

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outlined in here very carefully and are strong subscribers to all of the recommendations that have been outlined in this agenda. In the course of trying to implement many of these in Montana, they were a little bit at a loss as to how to implement the base state concept diesel fuel or the RIP. In checking with the DOH and the Department of Motor Fuel Tax Administration, it was the consensus that it probably would not be necessary to have legislation to enable the base state concept for diesel fuel where a motor carrier pays those diesel fuel taxes in Montana for all the states he operates in around the country like he does with his GVW fees on a prorated basis. It was indicated that there is existing statutory authority for the implementation of this under the the present law. However, since the GVW computerized prorating registration now exists in the DOH, it seems like a good idea to move the diesel fuel portion over to the DOH GVW Division so the diesel fuel (assuming the state would implement a base state concept here) could be plugged into the GVW records. It is not their contention, nor do they necessarily support, moving the entire motor fuel division over there. However, Rep. Gilbert has come up with some figures that would indicate some savings to do that, and that is fine with them. The idea for collecting diesel fuel taxes in a base state would parallel exactly the international registration plan for collecting GVW fees and that is a great idea. It would save a lot of time, a lot of money, and a lot of effort, and would be very convenient. See EXHIBIT #3.

OPPONENTS - None

QUESTIONS (OR DISCUSSION) FROM THE COMMITTEE

Rep. Harper remarked you seem to indicate to the committee that by transferring the program from one department to the other, the need for the program would no longer be there. Somehow the money would be collected and the administrative work will be done with no cost. If no one does that work, the program will not be carried out. How do you justify saving \$265,000 by moving the computer? Rep. Gilbert stated they thought they could probably run that whole program for about \$40,000 as far as actual cost. The excess above that is excess administrative costs. All the trucks that would be involved in this process are already in the computer. There would be no duplicity. Right now they are running two programs and both are costing. If it is moved, the information is already there and diesel fuel is just added to it.

Mr. Monroe said there had been better than a \$200,000 total duplication between what the DOR was doing and what the DOH was doing right now.

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Dan Bucks, Deputy Director of the DOR, advised the amount of money that is allocated for general administration of the Motor Fuels Division in the Director's office is a cost accounting charge for the overhead costs of performing certain functions for the Motor Fuels Division. They are going to have to be performed in any event regardless of where those functions are located. They include legal services for the attorneys that handle the assistance for rulemaking, motor fuels functions for contested cases, and for representing any court cases that occur, etc. That is driven by the motor fuels laws and those cases would occur and the needs for rules would occur in any event. It is also a charge for the cashiering function for the processing of whatever payments are made as motor fuels payments. It would require a considerable study to see if there is any savings through consolidation of that particular function, because you are not necessarily talking about people that pay at the same time, even the same people paying. You have the whole cashiering, processing and accounting for payments functions here. Finally, you have the administrative support for the data processing functions. Rather than funneling this money to the various support units that perform this work for the Motor Fuels Division, the Director's office is reimbursed for functions performed by several divisions to support the motor fuels function in its motor fuels activities. It is data processing, computer programming, legal services, general supervision, cashiering and accounting functions performed outside the motor fuels division but support the motor fuels tax function. That is reviewed by the appropriations subcommittee as a part of the budgetary process.

Rep. Harper summarized saying if the program were transferred to the DOH, it would probably be picked up at the director's office level for highways. The same costs would probably have to take place. Dan Bucks answered that those functions would still have to be performed, and whether or not that program is charged for or not, the cost would still be incurred. This is the charge that has been deemed through the appropriations process to be appropriate for those functions, but unless you actually change the way the program operates, those functions would still have to be performed.

Rep. Harp asked Mr. Monroe if he sees it that way. Mr. Monroe said their centralized services administrator took a look at that and he felt that those costs would not be duplicated in the DOH. Rep. Harp remarked that what you are telling this committee is that there could be a potential savings of \$200,000. Mr. Monroe answered Yes.

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Rep. Swysgood asked Mr. Monroe if this transfer took place, would the DOH transfer any of the FTEs that are now in the DOR to the DOH? Mr. Monroe answered Yes, if this were transferred those people involved in the motor fuels tax would come with it. He didn't know just how many people that would be.

Dan Bucks stated they see just the opposite. They see cost increases occurring potentially and not necessarily accomplishing the result of the base state reporting which they are willing to work. Norris Nichols' administrative division was a consultant on this particular project for the National Governors' Association. They are in full agreement with the end result that is desired and are willing to work toward it. They have completed major investments in a revised computer system for the Motor Fuels Division and that investment would be basically discarded if this bill were to pass in its current form. The computer systems for the two departments are not compatible with each other. He urged that a fiscal note be prepared. See EXHIBIT #4.

Rep. Glaser asked Mr. Bucks what the major investment they have made is in dollars. Mr. Bucks answered that the investment in the computer system exceeds \$100,000 and could be as high as \$200,000 invested in a newly revised and partially implemented computer system to better serve the motor fuels taxpayers.

Rep. Harp asked if there was a reason why the software and the same information can't be transferred to the DOH so the initial cost could be recovered. Mr. Bucks thought this was an area that needed to be explored. Their technical staffs from the two departments haven't had an opportunity to discuss this matter. He introduced Brenda Haseman, Director of the Data Processing Division in the DOR. Ms. Haseman said they are just undertaking a major development effort for the motor fuels division of the department and have some concerns about movement of that system and what could happen. The DOR and the DOH data processing staff operate using different computer languages. If we were to transfer the system, there would be some investment in training their staff and getting their staff up to speed on the software that the DOR has developed. They have also developed a system using the integrated data base constant, and that means all of the divisions in the DOR are sharing certain elements of one giant system, names and addresses, and some of the accounting speeding up (feeding) of the exhibits transactions are common to all of the systems. It would take some effort on the Department's data processing staff to carve out the motor fuels portion of that system and make it a stand alone

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system that could be transported to the DOH. In addition, they are in the middle of the development project. In November the license and bonding functions of the system were installed and they have developed requirements for the entire system. Moving that system at this point is like trying to write a book on history and after you had done all the research and written three chapters, then gave it to someone else to finish the rest of the chapters. Obviously, there is some reworking and some retooling that would have to take place and the work that has been done would have to be redone to interface with whatever division the DOH has for accounting.

Rep. Glaser asked Ms. Haseman if both departments were using the same mainframe? She said that is correct. They are using COBOL, and the DOH uses PL1 which is the program language of Montana.

Rep. Harp asked how many agencies are talking different languages? Is this common practice? Ms. Haseman had worked for four different agencies and they are doing their development work in COBOL which is a language.

Mr. Bucks remarked they are developing programs in their department so that all of their programs clock to each other. They not only use the same language, but data can be interrelated. Unhooking one program from that is costly in terms of changing the programs because you affect all the others. When dealing with motor fuel functions, you are dealing not only with trucks and trucking, you are also dealing with gas tax refunds. They are looking at ways to speed up that process through the income tax system and being able to interrelate and have two computer systems talk to each other, so there is a loss in terms of unhooking the systems for motor fuels from the tax systems for which they have been designed to talk to. The end result might be accomplished in ways that perhaps aren't presented in this bill.

Rep. Gilbert closed saying he is not sure about the cost of the proposed computer system, nor the cost of the proposed changeover. He does not intend to cause an argument between the two departments. The information he has indicates that some money can be saved. It is being said administration of this program should cost so much without documenting the actual cost so the appropriation might be \$100,000 too much or \$80,000 too little. This bill has brought up some good questions between the two departments and some good questions from the members of this committee. Some things should be studied prior to having action taken on this bill. His main

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concern is the fuel tax reporting, the RIP program. This looked like some money could be saved. He has no problem with the two committees or two departments working together to solve that problem. If it will save some money and make the government more efficient, and make the lives of the taxpayers better, he would urge the committee to pass HB 221.

EXECUTIVE SESSIONHOUSE JOINT RESOLUTION 5

Rep. Swysgood moved HJR 5 amendment BE ADOPTED; it was unanimously ADOPTED. Rep. Swysgood then moved HJR 5 DO PASS AS AMENDED; it was unanimously passed.

The committee reverted to hearing status.

HOUSE BILL 178

John Cobb, House District #42, sponsor of HB 178 explained this bill was an act requiring splash aprons or flaps on all four-wheel drive and front-wheel drive vehicles, and amends section 61-9-407. This was a constituent's bill on which a lot of research had been done. There is a lot of windshield breakage caused by these four-wheel drives. They found it was not cost-effective to make everyone use mud flaps. There is a problem there, but this is not the bill to correct it. He asked the committee to TABLE this bill, and apologized for the inconvenience.

PROPONENTS

Rep. PAULA DARKO, House District #2, explained Rep. Cobb introduced this bill at the request of her father who is a constituent of Rep. Cobb. People generally don't know that the way rocks are thrown off wheels that mud flaps would not solve a lot of the problems, especially with the chip sealings and the excessive speed on those streets and roads that have been chipsealed. They had thought this might be a good way to deal with it, but it isn't.

OPPONENTS - NoneQUESTIONS FROM THE COMMITTEE - NoneEXECUTIVE SESSION

Rep. Fritz moved HB 178 BE TABLED; motion was ADOPTED unanimously.

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HOUSE BILL 161

Rep. Mercer moved the amendments to HB 161 DO PASS.

Rep. Harp moved the proposed amendments be split, one amendment would relate to an immediate effective date, and the other to sunseting.

Rep. Mercer remarked the sunset provision would sunset the whole bill after two years to July 1, 1989. This amendment was ADOPTED unanimously.

Rep. O'Connell moved HB 161 DO PASS AS AMENDED. Rep. Roth and Rep. Stang had problems with lowering the speed limit on that road to 35 miles per hour. If the potato growers are allowed this, other groups will come in demanding special concessions. Rep. Harp remarked because of the poor condition of 93 they have a terrible time to move anything to market.

Rep. Glaser mentioned Mr. Wicks had promised to return with information on what he would propose to do with this road this spring. He suggested that Mr. Wicks be given an additional week to return with the promised data.

Rep. Thomas thought the committee should consider the fact that just because a road is causing a problem of getting a profitable niche of agriculture products to market, it is the result of the state's poor highway program in that area, and the people should be given some special consideration so they can keep their market and not allow it to slip away to some other state. We should go ahead with this bill, give those people a break, test it out, and in the meantime work on getting those highways rebuilt through the gas tax.

Rep. Swysgood has some problems with this bill, but he thought it may be a benefit to all the others in the county to see if this does work. Somewhere something has to happen. Sunsetting allows time for a test.

Rep. Smith advised the lumber haulers have exactly the same problem although they have shorter hauls. Potato haulers are probably running 10/20 tires and when they start off this soft road and go over the speed, they will tear up the highways anyway. Reduced speed helps.

Rep. Stang countered somewhat Rep. Thomas argument stating that area depends a lot on the roads that come down to interstate 90 whether they use highway 93 or Montana 135. The tourists depend very heavily on those roads. Highway 93 is a primary route to Glacier Park from Missoula and points east. Montana 135 is a primary route to Glacier Park from that point west. Currently the people in that area are trying

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to promote that as the route to Glacier Park. If that road to Glacier Park is torn up, those people will have nothing to promote. You are pitting your number one and two industries against each other.

Rep. Mercer summarized stating this is an extremely important bill to Lake and Flathead Counties, and the committee should think quickly about this. One argument is that if you do this for the potato growers, every other group is going to be in here. The very purpose of the legislature is to address problems in Montana. The second thing is that if we run this test, then we will know how to answer those groups. We might be able to say yes, by reducing the speed all you other groups can have this same benefit. Or we might be able to say No, we tried it with potatoes and it ruined the highways, and it can't work. If we just sit here and defeat this bill, we won't know what should be done. The tourist industry to Polson does not make our community go round, it is the \$4-5-6 million potato industry that the economy runs on. If the GVW people get more money, they will be enforcing speed laws more strictly. Potatoes are hauled a short time in the spring while some other industries are year round businesses. He does not think the DOH should tell the legislature that they will handle this and tell you what's bad. The legislature should be running Montana, not the agencies. It is high time to spend some gas tax money to fix up the roads otherwise we are going to have to sacrifice our roads in order to have some commerce in Montana.

Rep. Harp agreed that this bill illustrates a point to show the problems Montana is having by not addressing the needs of better highways that were built 30 years ago that cannot move our commodities to market; this bill can do that. He will probably support this bill because of that and the need to address a rural economic problem in our area.

Rep. Jones commented that highway 93 from Kalispell to Polson is just a cow trail anyway, and if they tear it up, they are not losing anything.

Rep. Harper commented it is just the time of year that separates potatoes from any other perishable seed which could be considered under this bill. He did not think this bill should be used to force the DOH to frame their study in case it does pass the House. He suggested it be Tabled in the Senate. So he does not think it is a big deal whether it is passed or not. The things that have been said here about special treatment is certainly going to follow. If this bill passes and those roads are torn up for three years, we are all going to suffer.

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Rep. Harp called for the question. A roll call vote was taken on the HB 161 DO PASS AS AMENDED motion. The motion carried with 9 voting for the motion and 7 against it. The proper amendments will be prepared.

LARRY MAJERUS, Administrator of the Motor Vehicle Division, Department of Justice, spoke to the committee. They have three bureaus: the driver services bureau that handles all driver licenses matters; the drivers improvement bureau that does suspensions and revocations for about 12,000 drivers per year and keeps records on others; and the registrar's bureau that handles registration of motor vehicles.

He had arranged with the legislative council to use their terminal to show the committee phase one of their computerized record system showing drivers' records, but there is a lot more they will be able to do with it. Rep. Thomas asked who could access these records by law? Mr. Majerus answered that it is covered under the Fair Credit Reporting Act. Those people who have to have that information could be an employer, insurance company, or the individual themselves. The menu shows all the things that they can do and covers all types of driver history such as basic driver licensing qualifications, tickets, suspension, accidents, DUIs which they keep for 5 years. They charge insurance companies a \$2 fee every time they want information on an individual. The system is accessed 500,000 times a year outside that agency by law enforcement officials throughout the U.S., insurance companies or employers checking on drivers' records.

One critical issue that will come before the legislature is a commercial vehicle operator's license. The federal government passed a law requiring all state licensing on a commercial vehicle operator's license. There are sanctions involved. A Senate bill has been introduced to implement it in Montana. They feel strongly that some type of bill has to come out of this session to respond to that federally mandated legislation.

Several committee members accessed their driving records. It was most illuminating to see all the information they have on their computer about each driver.

The committee adjourned at 3:00 p.m.



REP. JOHN HARP, Chairman

DAILY ROLL CALL

HIGHWAYS & TRANSPORTATION COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date January 27, 1964

[illegible]

STANDING COMMITTEE REPORT

January 27

1937

Mr. Speaker: We, the committee on HIGHWAYS & TRANSPORTATION

report HOUSE BILL 161

☒ do pass
☐ do not pass

☐ be concurred in
☐ be not concurred in

☒ as amended
☐ statement of intent attached

REP. JOHN HARP

Chairman

NO RESTRICTION ON VEHICLE LOAD PERISHABLE AG. SEED UNDER
CERTAIN CONDITIONS

BE AMENDED AS FOLLOWS:

1. Title, line 3.
Following: "MET;"
Strike: "AND"
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A
TERMINATION DATE"
2. Page 2, following line 23.
Insert: "NEW SECTION. Section 3. Effective date. This act is
effective on passage and approval."

NEW SECTION. Section 4. Termination. This act terminates
June 30, 1939."

ROLL CALL VOTE

HIGHWAYS & TRANSPORTATION

COMMITTEE

DATE Jan. 27 BILL NO. HB 161 NUMBER 1

NAME	AYE	NAY	ABSTAIN
Rep. John Harp, Chairman	✓		
Rep. William Glaser, Vice Chairman	✓		
Rep. Bud Campbell	✓		
Rep. Harry Fritz	✓		
Rep. Hal Harper		✓	
Rep. Tom Jones	✓		
Rep. Mike Kadas		✓	
Rep. Roland Kennerly		✓	
Rep. John Mercer	✓		
Rep. Helen O'Connell	✓		
Rep. Bing Poff		✓	
Rep. Rande Roth		✓	
Rep. Clyde Smith		✓	
Rep. Barry Stang		✓	
Rep. Charles Swysgood	✓		
Rep. Fred Thomas	✓		

TALLY

9 7

Jo Lakki
Secretary

John Mercer
Chairman

MOTION: to Pass As Amended

MONTANA HIGHWAY DEPARTMENT - GVW DIVISION
ACTIVE VEHICLE TOTALS AS OF 12/30/86
REGISTRATION CAR CARD SYSTEM

26,000 # plus

#1
DATE 12/27/87
169-13p BOD
truck

	100%	75%	16%	54%	55%
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5
COUNTY 01	288	1	9	3	9
COUNTY 02	843	20	425	4	28
COUNTY 03	1,093	49	522	11	58
COUNTY 04	675	214	51	3	19
COUNTY 05	280	63	87	4	30
COUNTY 06	449	98	305	2	24
COUNTY 07	680	487	194	3	34
COUNTY 08	193	40	473	0	9
COUNTY 09	64	5	144	0	3
COUNTY 10	112	9	379	0	3
COUNTY 11	135	21	259	0	2
COUNTY 12	338	6	474	0	10
COUNTY 13	185	104	116	3	11
COUNTY 14	186	3	171	0	7
COUNTY 15	138	75	129	0	13
COUNTY 16	120	4	477	3	10
COUNTY 17	145	3	584	0	4
COUNTY 18	104	44	145	0	4
COUNTY 19	58	10	488	0	5
COUNTY 20	99	14	440	0	5
COUNTY 21	144	9	461	0	5
COUNTY 22	149	26	254	1	7
COUNTY 23	117	28	102	0	3
COUNTY 24	60	17	316	2	4
COUNTY 25	129	42	126	0	1
COUNTY 26	112	11	510	1	6
COUNTY 27	291	2	645	7	6
COUNTY 28	32	65	40	0	4
COUNTY 29	134	2	197	0	8
COUNTY 30	76	16	5	0	4
COUNTY 31	130	10	511	3	7
COUNTY 32	73	2	239	0	9
COUNTY 33	11	2	119	0	0
COUNTY 34	100	5	553	0	8
COUNTY 35	89	180	55	1	4
COUNTY 36	30	3	192	0	0
COUNTY 37	36	2	305	0	2
COUNTY 38	184	16	259	1	9
COUNTY 39	135	0	224	0	5
COUNTY 40	31	19	90	0	4
COUNTY 41	50	1	449	0	0
COUNTY 42	17	6	161	0	2
COUNTY 43	68	40	194	0	4
COUNTY 44	24	11	111	0	1
COUNTY 45	15	3	169	0	0
COUNTY 46	51	69	40	0	0
COUNTY 47	42	36	50	0	2
COUNTY 48	37	3	461	0	2
COUNTY 49	97	54	90	0	6
COUNTY 50	41	0	183	0	2
COUNTY 51	65	16	52	0	5
COUNTY 52	10	2	125	0	0
COUNTY 53	13	4	58	0	0
COUNTY 54	38	65	3	0	5

COUNTY 55	18	4	38	0	0
COUNTY 56	162	407	23	2	10
COUNTY 57	0	0	0	0	0
OTHER	52	24	30	0	1
TOTAL	9,168	2,472	14,069	54	424

NUMBER OF TRUCKS 20,779
NUMBER OF TRAILERS 5,420
NUMBER OF BUSES 182
NUMBER UNDER 26000 LBS. 0
TOTAL ACTIVE VEHICLES 26,389

#1
 Jan 27, 1969
 H13769

County License Plate Numbers

Co. County	No. Seat	Miles	County
1 Butte	64		Silver Bow
2 Great Falls	89		Cascade
3 Billings	224		Yellowstone
4 Missoula	117		Missoula
5 Helena	000		Lewis & Clark
6 Bozeman	95		Gallatin
7 Kalispell	229		Flathead
8 Lewistown	188		Fergus
9 Broadus	392		Powder River
10 Red Lodge	260		Carbon
11 Malta	290		Phillips
12 Havre	202		Hill
13 Hamilton	161		Ravalli
14 Miles City	346		Custer
15 Polson	180		Lake
16 Glendive	423		Dawson
17 Wolf Point	409		Roosevelt
18 Dillon	121		Beaverhead
19 Fort Benton	134		Chouteau
20 Glasgow	366		Valley
21 Shelby	167		Toole
22 Hardin	270		Big Horn
23 Roundup	204		Musselshell
24 Chnook	227		Blaine
25 Virginia City	127		Madison
26 Conrad	148		Pondera
27 Sidney	469		Richland
28 Deer Lodge	54		Powell

and Mileage from Helena

Co. County	No. Seat	Miles	County
29 Forsyth	304		Rosebud
30 Anaconda	78		Deer Lodge
31 Choteau	104		Teton
32 Columbus	191		Stillwater
33 Hysham	301		Treasure
34 Plentywood	505		Sherridan
35 Thompson Falls	218		Sanders
36 Stanford	154		Judith Basin
37 Scobey	470		Daniels
38 Cut Bank	189		Glacier
39 Baker	431		Fallon
40 Big Timber	151		Sweet Grass
41 Circle	381		McCone
42 Ekalaka	467		Carter
43 Townsend	35		Broadwater
44 Harlowton	134		Wheatland
45 Terry	390		Prairie
46 Philipsburg	90		Granite
47 Wh. Sul. Spr.	76		Meagher
48 Chester	209		Liberty
49 Livingston	121		Park
50 Jordan	321		Garfield
51 Boulder	27		Jefferson
52 Wibaux	449		Wibaux
53 Ryegate	164		Golden Valley
54 Superior	174		Mineral
55 Winnett	245		Petroleum
56 Libby	304		Lincoln
(OVER)			

MONTANA ASSOCIATION OF STATE GRAZING DISTRICTS

420 North California St.

Helena, Montana 59601

169

DIRECTORS

Bill Almy Ismay
Lynn Cornwell Glasgow
Mark Davies Chinook
Joe Etchart Glasgow
Jack Hughes Grassrange

John Pfaff, President Miles City
Sever Enkerud, Vice President Glasgow
Stuart Doggett, Executive Secretary Helena

TESTIMONY

HB 169

My name is Kim Enkerud and I am here today representing the Montana Association of State Grazing Districts. This organization represents the 30 grazing districts in the state of Montana and includes approximately 600 ranchers.

We oppose HB 169 for the following reason. For a rancher who does not haul commercially, this bill would create an additional operating expense, without income to offset it.

We urge the committee to vote do not pass on this bill.

Thank you.

VISITORS' REGISTER

COMMITTEE

BILL NO. HB 221DATE Jan / 27 / 1987

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
BRYAN ENDERLE	MISSOULA CHAMBER OF COMMERCE		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

EXHIBIT #3

DATE Jan 27, 1987

HB
221-Rep. Bob
Gilbert



National
Governors'
Association

WORKING GROUP ON
STATE MOTOR CARRIER
PROCEDURES

Consensus Agenda

STATE OF MONTANA
Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122



SCOTT A. SEACAT
LEGISLATIVE AUDITOR

February 6, 1987

DEPUTY LEGISLATIVE AUDITORS:

JAMES GILLET
FINANCIAL COMPLIANCE AUDITS

JIM PELLEGRINI
PERFORMANCE AUDITS

LEGAL COUNSEL:

JOHN W. NORTHEY

Representative Charles Swysgood
Montana House of Representatives
Box 125, Capitol Station
Helena, MT 59620

Dear Representative Swysgood:

Per your request, we reviewed the information presented in the Fiscal Note for House Bill 221. The costs incurred to date, the additional costs to complete, and the cost to remove and reinstall the motor fuels system are supported by the department's records of costs to date and estimates of costs to complete. These costs include programming staff and computer charges.

According to Department of Revenue officials, they expect to complete the project by fiscal year-end. If the Motor Fuels Division is transferred to the Department of Highways, it would be more cost-beneficial for the Department of Revenue to transfer a completed system. If the Department of Revenue were to stop development, the Department of Highways would incur additional costs to complete the development because they are unfamiliar with what has been done on the project to this point. The costs remaining to complete are included in the Department of Revenue's current budget.

A Department of Highways' official indicated they would use the system developed by Department of Revenue.

In summary, based on our review of the agencies' support for the fiscal note, we believe the information contained in the note is reasonable. If we can be of any further assistance, feel free to contact us.

Sincerely,

A handwritten signature of Scott A. Seacat in dark ink, featuring a large, stylized 'S' and 'A'.

Scott A. Seacat
Legislative Auditor

SAS/kb

VISITORS' REGISTER

Highways & Transportation COMMITTEE

BILL NO. HR 169

DATE Jan 27, 1987

SPONSOR _____

[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.