

MINUTES OF THE MEETING
GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

The meeting of the General Government and Highways Subcommittee was called to order by Chairman Rehberg on March 4, 1987 at 8:00 a.m. in Room 132 of the State Capitol.

ROLL CALL: All committee members were present except Sen. Keating, who was excused to introduce a bill. Also present were Flo Smith, Budget Analyst from the Office of Budget & Program Planning (OBPP) and Clayton Schenck, Senior Fiscal Analyst from the Office of the Legislative Fiscal Analyst. (LFA)

104A:0.00

House Bill 291

Rep. Ray Peck, District 15, Hill County, introduced HB 291 to the committee. (Exhibit No. 1) The bill requires an additional \$2.00 surcharge for violation of the 55 MPH speed limit to be used to fund the light vehicle mail re-registration discontinued due to budget cuts. The balance would go to the general fund. The conditional effective date on the bill refers to the possible change to a 65 MPH speed limit by the federal government.

Chairman Rehberg called for proponents.

Proponents

Susan Hansen, representing the Attorney General, said this bill was introduced at the request of their office and has been significantly amended. The department is concerned about language inserted in the amendment stating "any excess remaining in the account at the end of the fiscal year must be remitted to the general fund." She said the budget approved by the committee did not anticipate zeroing out the account at the end of the fiscal year and this would cause severe financial problems for the department in terms of operating out of that fund. She also said she assumed the language was intended to refer just to the amount of money collected by the \$2.00 surcharge, and perhaps the committee should take a look at this problem.

Chairman Rehberg called for opponents.

There were no opponents.

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In response to Rep. Quilici's questions regarding specific language, Ms. Hansen suggested lines 11 and 12, page 2, be deleted.

She further stated the committee had approved a fund balance of \$125,000 and, if the \$2.00 increase funds just the mail renewal notices, there will be more money generated than the \$125,000. The estimated cost for mail renewal notices is \$88,000 and the anticipated revenue is approximately \$150,000 per year, resulting in an additional \$62,000 per year going into the Motor Vehicle Account. If, indeed, this money is in the account, it could be used for other things or to ensure a fund balance. Ms. Hansen said HB 740 is the bill that revises the procedure by which funds collected by the Justices of the Peace are distributed to the state and to the county. If HB 291 passes, there will have to be an amendment to HB 740 as it does not envision passage of this bill. The allocations in HB 740 are based on a percentage of funds collected as they now exist and this will be an increase.

The meeting closed on HB 291.

House Bill 385

Rep. Mike Kadas, District 55, Missoula County, introduced HB 385. (Exhibit No. 2) This bill deals with the mail registration notices for vehicle fees. The state stopped sending out these notices due to budget cuts and this bill would require the state to continue this service. He said this is one of the few essential services the state should provide to the people. It costs the state \$.16 per notice and he felt it was well worth the investment.

Chairman Rehberg called for proponents.

There were no proponents.

Chairman Rehberg called for opponents.

There were no opponents.

Chairman Rehberg said there should be savings as the committee already funded the notices. This was not line-itemed, but with Sen. Gage's motion, it was the intent of the committee this be done. If this is line-itemed within the budget, perhaps this bill is not needed. Rep. Quilici pointed out that according to the fiscal note, it will require 800 man-hours to accomplish this task resulting in an expense. Susan Hansen said the 800 manhours are with existing FTE.

In answer to Chairman Rehberg's question regarding the existing funding in the department to pay for this, Ms. Hansen said it was being used in this fiscal year to make up the five percent cuts. Because it is included in the budget for next year, there will be an additional \$88,000 in the Motor Vehicle Account to use to offset the general fund in one of the other programs.

The meeting closed on HB 385.

(10.30)

House Bill 492

Rep. Joan Miles, District 45, Lewis & Clark County, introduced HB 492. (Exhibit No. 3) The bill raises by \$1.00 the fee on new motor vehicle titles, duplicate titles, liens and registration fee. The fiscal note is not correct. At this point, in FY 88, \$703,500 would be raised and in FY 89, \$1,234,000. The difference in the amounts result from the effective date of January 1, 1988 in order to coincide with the computer changes being made by the counties. Essentially this bill generates monies for the Motor Vehicle Revenue Account and the intent of the bill is to fund some programs in order to offset the general fund.

Chairman Rehberg called for proponents.

Proponents

Larry Majerus, Administrator of the Motor Vehicle Division, Department of Justice, told the committee the duplicate title and lien fees have not been increased since 1965 and the registration fee was last increased in 1979.

Susan Hansen reminded the committee they had approved the match for the federal anti-drug enforcement monies contingent upon passage of this bill. She stated if this bill passed, in its present form, there would be sufficient monies to fund not only the drug match, but also totally fund the Forensic Science Division and to transfer a portion of the Data Processing Division, which supports the Motor Vehicle Account, into this account, thereby offsetting the general fund monies.

Chairman Rehberg called for opponents.

There were no opponents.

Sen. Gage asked Ms. Hansen if there would be sufficient monies to fund the agent at Sweetgrass for the Criminal Investigation Bureau. Ms. Hansen said there would be almost \$75,000 additional dollars available the first year and about \$200,000 the second year.

The meeting closed on HB 492.

(14.45)

House Bill 607

Rep. Nancy Keenan, District 66, Deer Lodge County, introduced HB 607. (Exhibit No. 4) The bill was basically introduced to look at the signing problems in Montana, asking for an inventory of the signs and to look at a statewide signing program, much like the highway program. She stated the state has been remiss in this area. She used the Pintlar Scenic Route in her demonstration as an example, indicating the lack of signs referring to the area services or activities. (i.e., lakes, ski area, swimming pools and the wilderness.) She referred to the lack of signs indicating cities in Montana after a tourist leaves Butte. The only highway signs refer to Spokane. With the focus now on tourism, the signs are important to inform tourists of recreational areas and services available. This bill also provides that the Department of Highways, in conjunction with the Historical Society and the Department of Commerce, determine a plan to develop this signage. Rep. Keenan said the Department of Highways already has an inventory of signs. What needs to be done is to determine where to place these signs to adequately mark the areas and services available. The \$35,000 fiscal note will come from the hotel-motel tax, if it passes; otherwise, this will be general fund money. The plan and cost should be ready to go by the next session. It is important to get the tourists off the highways and this cannot be done without the signs.

Chairman Rehberg called for proponents.

Proponents

Jim Scoonover, President of the Pintlar Scenic Route, Philipsburg, addressed the committee. Their committee is working closely with the Forest Service in developing signage for areas of interest to tourists. As he has traveled the state, he said he was very well aware of the lack of signage. He said we invite tourists to our state, but we do not tell them what to do or where to go.

Chairman Rehberg called for opponents.

There were no opponents.

Rep. Quilici asked Rep. Keenan if federal funds were available for projects such as this one. She said she had not checked into this.

In answer to Chairman Rehberg's question regarding possible opposition from the Highway Department as to the location of some of the signs, Rep. Keenan pointed out this was put under the Department of Commerce to do the inventory and planning. Historically, the job of the Department of Highways is to get you from point A to point B and not to worry about anything aesthetic. The Department of Highways will have to make the determination as to size and placement of these signs and to see that they meet the requirements for signage under the Lady Bird Johnson Federal Act.

Rep. Quilici said the committee should look into specific funding for the bill. Chairman Rehberg pointed out the funding was for the inventory and, since this is already completed, where would the funds be applied? Rep. Keenan said she felt there was still work to be done in this area and a plan still needed to be formulated, setting priorities as to areas to be designated. Chairman Rehberg said the committee did not like to fund projects without tying it to something specific. Rep. Quilici said the bottom line would be how to accomplish this and emphasis should be placed on how to fund this and the cost of the project. In response, Rep. Keenan said it would be impossible to determine the cost until the needs are identified.

Dennis Unsworth, Manager of the Information Unit, Department of Highways, said the signs on the Interstate installed are part of a highway project and are ninety percent federal and ten percent state. On the primary, the split is eighty percent federal and twenty percent state. The repair and maintenance is 100 percent state funds.

Rep. Keenan thanked the committee for their time and urged their support.

Rep. Quilici told the committee there will be a helicopter trip to Great Falls on Friday morning to Gore Hill to see the new F-16. Along with that, there will be a bus to Malmstrom AFB to see the mobile midgetman missile. The committee was invited by Major Cottrill to go along. Rep. Quilici will check with Rep. Donaldson for possible conflicts.

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104B:0.00

Flo Smith from the OBPP asked for clarification on Program 24, Military Affairs, Emergency Management Development. A motion made by Rep. Poulsen adopted the OBPP budget for 88 and 89 and that would mean 8.5 FTE.

Rep. Poulsen stated it was his intention it be 8.5 FTE on the OBPP budget.

There was discussion.

EXECUTIVE ACTION

Rep. Poulsen moved to reconsider the committee's action on Program 24, Military Affairs, Emergency Management Development.

A voice vote was taken and the motion PASSED unanimously.

EXECUTIVE ACTION

Rep. Poulsen moved the committee adopt the OBPP budget to include 8.5 FTE for Program 24, Emergency Management Development, Military Affairs, in the amount of \$270,518 in FY 88 and \$268,134 in FY 89.

A voice vote was taken and the motion PASSED unanimously.

ADJOURNMENT: The meeting was adjourned at 8:45 a.m.


Dennis R. Rehberg, Chairman

Attachment: 1989 Biennium Deficit Scenario
March 3, 1987
From Rep. Gene Donaldson

RE-REFERRED AND APPROVED BY COMMITTEE ON HIGHWAYS & TRANSPORTATION

1 HOUSE BILL NO. 291

2 INTRODUCED BY PECK, HARP

3 BY REQUEST OF THE DEPARTMENT OF JUSTICE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT AN
6 ADDITIONAL \$15 SURCHARGE BE IMPOSED FOR VIOLATION OF THE
7 FUEL CONSERVATION SPEED LIMIT; INCREASING THE BOND FOR THAT
8 OFFENSE; PROVIDING FOR DISPOSITION OF THE SURCHARGE; AND
9 PROVIDING A CONTINGENT INCREASE IN THE FUEL CONSERVATION
10 SPEED LIMIT; AMENDING SECTION SECTIONS 61-8-304 AND
11 61-8-718, MCA; AND PROVIDING A CONTINGENT EFFECTIVE DATE."

12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 Section 1. Section 61-8-718, MCA, is amended to read:
15 "61-8-718. Penalty for violation of fuel conservation
16 speed limit. (1) A person violating the speed limit imposed
17 pursuant to 61-8-304 is guilty of the offense of unnecessary
18 waste of a resource and upon conviction shall be fined \$5,
19 and no jail sentence may be imposed. Except as provided in
20 subsection (2), all courts of original jurisdiction shall
21 impose upon a defendant convicted under 61-8-304, a \$15 \$2
22 surcharge in addition to other taxable court costs, fees, or
23 fines. Bond for this offense shall be \$5 \$20 \$7.

24 (2) If a court determines under 46-18-231 and
25 46-18-232 that the defendant is not able to pay the

1 surcharge and costs or that he is unable to pay them within
2 a reasonable time, the court shall waive payment of the
3 surcharge imposed by this section.

4 (3) All money collected from payment of the \$15 \$2
5 surcharge and all interest accruing from the temporary
6 deposit of this money into a court or county fund shall be
7 forwarded to the state treasurer and deposited in the motor
8 vehicle recording account of the state special revenue fund
9 FOR THE PURPOSE OF FUNDING THE LIGHT VEHICLE MAIL
10 REREGISTRATION AND REMINDER NOTICE PROCEDURE OF 61-3-535.
11 ANY EXCESS REMAINING IN THE ACCOUNT AT THE END OF THE FISCAL
12 YEAR MUST BE REMITTED TO THE GENERAL FUND.

13 (4) For the purpose of this section only, the fees
14 of the justice's court shall be the balance of the fine not
15 otherwise allocated by law and shall be remitted as set
16 forth in 3-10-603(3).

17 (5) A violation of 61-8-304 is not a misdemeanor
18 pursuant to 45-2-101, 61-8-104, or 61-8-711."

19 SECTION 2. SECTION 61-8-304, MCA, IS AMENDED TO READ:
20 "61-8-304. Fuel conservation speed limit -- exception
21 to the basic rule. (1) In order to insure conservation of a
22 resource, the speed limit for vehicles traveling on a
23 federal-aid interstate highway is 65 miles an hour and the
24 speed limit for vehicles traveling on any other public
25 highway of this state is 55 miles an hour, except as

DATE 3-4-87



1 provided under 61-8-309.

2 (2) A speed limit imposed pursuant to this section is
3 an exception to the requirements of 61-8-303 and 61-8-312,
4 and a speed in excess of the speed limit established
5 pursuant to this section is unlawful notwithstanding any
6 provision of 61-8-303 and 61-8-312."

7 NEW SECTION. SECTION 3. EFFECTIVE DATE. SECTION 2
8 AND THIS SECTION ARE EFFECTIVE IF AND WHEN THE FEDERAL LAW
9 THAT REQUIRES A SPEED LIMIT AS A CONDITION TO THE STATE'S
10 ELIGIBILITY TO RECEIVE FEDERAL HIGHWAY FUNDS IS AMENDED TO
11 PERMIT A SPEED LIMIT OF 65 MILES AN HOUR ON RURAL
12 FEDERAL-AID INTERSTATE HIGHWAYS. IF THE FEDERAL LAW IS
13 AMENDED IN THIS MANNER, SECTION 2 AND THIS SECTION BECOME
14 EFFECTIVE ON THE DATE THE GOVERNOR BY PROCLAMATION CERTIFIES
15 THAT THE SPEED LIMIT OF 65 MILES AN HOUR FOR RURAL
16 INTERSTATE HIGHWAYS IS ALLOWED.

-End-

In compliance with a written request, there is hereby submitted a Fiscal Note for HB291, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring that an additional \$15 surcharge be imposed for violation of the fuel conservation speed limit.

ASSUMPTIONS:

1. 75,800 55 mph violations were written in 1986. It is assumed that 20% fewer violations will occur in FY88 and FY89 due to driver regard for the increased fee.
2. The current distribution of the (\$5) 55 mph violation will remain fixed, and the entire \$15 surcharge will be deposited in the State Motor Vehicle Account.

FISCAL IMPACT:

Revenue:	FY88		FY89		Difference	
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Special Revenue Fund - Fines						
Driver's Education	\$ 94,750	\$ 75,800	(\$ 18,950)	\$ 94,750	\$ 75,800	(\$ 18,950)
Crime Victims	68,250	54,576	(13,674)	68,250	54,576	(13,674)
Motor Vehicle		909,600	909,600		909,600	909,600
Total	\$163,000	\$1,039,976	\$876,976	\$163,000	\$1,039,976	\$ 876,976

While this bill has no direct impact on the general fund, revenue generated to the State Motor Vehicle Account is used to fund state programs that would otherwise be funded by the general fund.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

David L. Hunter DATE 1/20/86
DAVID L. HUNTER, BUDGET DIRECTOR

Ray Peck DATE 1/21/87
RAY PECK, PRIMARY SPONSOR

Office of Budget and Program Planning

Fiscal Note for HB291, as introduced.

1 HOUSE BILL NO. 385

2 INTRODUCED BY KADAS, NISBET, PHILLIPS, PATTERSON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE
5 DEPARTMENT OF JUSTICE TO PERMIT REREGISTRATION OF LIGHT
6 VEHICLES BY MAIL; REQUIRING THE DEPARTMENT TO GIVE NOTICE BY
7 MAIL TO A LIGHT VEHICLE OWNER OF THE NEED TO REREGISTER HIS
8 VEHICLE; AND AMENDING SECTION 61-3-535, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 61-3-535, MCA, is amended to read:
12 "61-3-535. Light vehicle reregistration by mail --
13 REREGISTRATION NOTICE BY MAIL. (1) The department shall
14 develop a procedure to permit the reregistration of light
15 vehicles with the county treasurer by mail at the option of
16 the owner of the vehicle. The option to reregister by mail
17 need only be made available for vehicles registered at the
18 close of the expiring registration period in the name of the
19 applicant for reregistration.

20 (2) The form to be returned to the county treasurer by
21 the applicant, with the appropriate fees, is to contain a
22 statement, to be subscribed to by the applicant, stating
23 compliance with the financial liability requirements of
24 61-6-301.

25 (3) The procedure for mail reregistration must be in

1 effect by January 17, 1982.

2 (3) THE PROCEDURE IMPLEMENTED BY THE DEPARTMENT TO
3 PERMIT REREGISTRATION BY MAIL SHALL PROVIDE FOR A WRITTEN
4 REMINDER NOTICE BY MAIL TO A LIGHT VEHICLE OWNER OF THE
5 REQUIREMENT TO REREGISTER HIS VEHICLE WITH THE COUNTY
6 TREASURER.

7 (4) (3) (4) The department may shall adopt rules to
8 implement the mail reregistration procedure."

9 NEW SECTION. Section 2. Extension of authority. Any
10 existing authority of the department of justice to make
11 rules on the subject of the provisions of this act is
12 extended to the provisions of this act.

-End-

2
3-4-87



STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB385, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring the Department of Justice to permit re-registration of light vehicles by mail.

ASSUMPTIONS:

- 635,000 re-registration notices will be mailed in FY88 and FY89; and it will take 800 man-hours to accomplish this task.

FISCAL IMPACT:

State Special Revenue Expenditures:	FY88		FY89		Difference
	Current Law	Proposed Law	Current Law	Proposed Law	
Personal Services	\$ 1,256,364	\$ 1,256,364	\$ 1,255,425	\$ 1,255,425	\$ 0
Operating Expenses	669,306	721,306	661,391	713,391	52,000
Equipment	64,703	64,703	32,330	32,330	0
TOTAL	\$ 1,990,373	\$ 2,042,373	\$ 1,949,146	\$ 2,001,146	\$ 52,000

David L. Hunter DATE 1/20/87

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Mike Kadas DATE 1-29-87

MIKE KADAS, PRIMARY SPONSOR

Fiscal Note for HB385, as introduced.

1 HOUSE BILL NO. 492
 2 INTRODUCED BY MILES, HARP
 3 BY REQUEST OF THE DEPARTMENT OF JUSTICE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE FEE FOR
 6 ISSUANCE OF AN ORIGINAL CERTIFICATE OF OWNERSHIP AND
 7 TRANSFER OF TITLE, THE FEE FOR REPLACEMENT OF A LOST
 8 CERTIFICATE, THE FEES FOR FILING OF SECURITY INTERESTS, AND
 9 THE FEES FOR REGISTRATION OF VEHICLES; AND AMENDING SECTIONS
 10 61-3-103, 61-3-203, 61-3-204, AND 61-3-321, MCA; AND
 11 PROVIDING A DELAYED EFFECTIVE DATE."
 12

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

14 Section 1. Section 61-3-203, MCA, is amended to read:
 15 "61-3-203. Fee for original certificate of ownership
 16 and transfer of title -- disposition. A charge of \$3-shall
 17 \$4 must be made for issuance of an original certificate
 18 of ownership of title and for a transfer of registration
 19 which shall must be collected by the county treasurer. The
 20 fees shall must be distributed as follows:

21 (1) ~~Two~~ Three dollars of each fee shall must be
 22 remitted to the department by the county treasurer with each
 23 application for original certificate of ownership or
 24 transfer of registration.

25 (2) Prior to March 1, 1966, and each March thereafter,

1 the county commissioners of each county shall divide the
 2 fees retained by the county to:

- 3 (a) the city road fund of each city and town within
- 4 the county based on the number of motor vehicles registered
- 5 inside the corporate limits of each city or town; and
- 6 (b) the county road fund based on the number of motor
- 7 vehicles registered outside the corporate limits of cities
- 8 and towns."

9 Section 2. Section 61-3-204, MCA, is amended to read:
 10 "61-3-204. Lost certificates. In the event any
 11 certificate of ownership is lost, mutilated, or becomes
 12 illegible, the owner shall immediately make application for
 13 and obtain a duplicate thereof, upon furnishing satisfactory
 14 evidence of such facts and upon payment of a fee of \$2 \$5
 15 \$3. Revenue from this fee shall must be deposited in the
 16 motor vehicle recording account of the state special revenue
 17 fund."

18 Section 3. Section 61-3-103, MCA, is amended to read:

19 "61-3-103. Filing of security interests, rights,
 20 procedure, fees. (1) No security interest in a motor vehicle
 21 shall be valid as against creditors, subsequent purchasers,
 22 or encumbrancers unless a lien notice, on a form approved by
 23 the department, that shows a security interest has been
 24 created, has been filed with the department as provided in
 25 this section. The department shall not file any security

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1 interest or other lien unless it is accompanied by or
 2 specified in the application for a certificate of ownership
 3 of the vehicle encumbered. If the approved notice form is
 4 transmitted to the department, the security agreement or
 5 other lien instrument that creates the security interest
 6 must be retained by the secured party. A copy of the
 7 security agreement is sufficient as a lien notice if it
 8 contains the name and address of the debtor and the secured
 9 party, the complete vehicle description, amount of lien, and
 10 is signed by the debtor. The department shall file the
 11 security interest or lien by entering the name and address
 12 of the secured party upon the face of the certificate of
 13 ownership. The department shall mail a statement certifying
 14 to the filing of a security interest or lien to the secured
 15 party. The department shall mail the certificate of
 16 ownership to the owner at the address given on the
 17 certificate; however, if the transfer of ownership and
 18 filing of the security interest are paid for by a creditor
 19 or secured party, the department shall return the
 20 certificate of ownership to the county treasurer where the
 21 vehicle is to be registered. The owner of a motor vehicle
 22 is the person entitled to operate and possess such motor
 23 vehicle.

24 (2) A security interest in a motor vehicle held as
 25 inventory by a dealer licensed under the provisions of

1 61-4-101, must be perfected in accordance with Title 30,
 2 chapter 9, and no endorsement on the certificate of title is
 3 necessary for perfection.

4 (3) Whenever a security interest or lien is filed
 5 against a motor vehicle that is subject to two security
 6 interests previously perfected by filing under this section,
 7 the department shall endorse on the face of the certificate
 8 of ownership, "NOTICE. This motor vehicle is subject to
 9 additional security interests on file with the Department of
 10 Justice." No other information regarding such additional
 11 security interests need be endorsed on the certificate.

12 (4) Satisfactions or statements of release filed with
 13 the department under this chapter shall be retained by it
 14 for a period of 8 years after receipt, after which they may
 15 be destroyed.

16 (5) The filing of a security interest or other lien,
 17 as herein provided, perfects a security interest which has
 18 attached at the time the certificate of ownership noting
 19 such interest is issued. Issuance of a certificate of
 20 ownership constitutes constructive notice to subsequent
 21 purchasers or encumbrancers, from the time of filing, of the
 22 existence of the security interest.

23 (6) Upon default under a chattel mortgage or
 24 conditional sales contract covering a motor vehicle, the
 25 mortgagee or vendor has the same remedies as in the case of

1 other personal property. In case of attachment of motor
2 vehicles all the provisions of 27-18-413, 27-18-414, and
3 27-18-804 shall be applicable except that deposits must be
4 made with the department.

5 (7) A conditional sales vendor or chattel mortgagee or
6 assignee who fails to file a satisfaction of a chattel
7 mortgage, assignment, or conditional sales contract within
8 15 days after receiving final payment shall be required to
9 pay the department the sum of \$1 for each day thereafter
10 that he fails to file such satisfaction.

11 (8) Upon receipt of any liens, or notice of liens
12 dependent on possession, or attachments, etc., against the
13 record of any motor vehicle registered in this state, the
14 department shall within 24 hours mail to the owner,
15 conditional sale vendor, mortgagees, or assignees of any
16 thereof a notice showing the name and address of the lien
17 claimant, amount of the lien, date of execution of lien, and
18 in the case of attachment the full title of the court and
19 the action and the name of the attorneys for the plaintiff
20 and/or attaching creditor.

21 (9) It shall not be necessary to refile with the
22 department any instruments on file in the offices of the
23 county clerk and recorders at the time this law takes
24 effect.

25 (10) A fee of \$3-shall \$5 \$4 must be paid to the

1 department to file any security interest or other lien
2 against a motor vehicle. The \$3 \$5 \$4 fee shall include and
3 cover the cost of filing a satisfaction or release of the
4 security interest and also the cost of entering such
5 satisfaction or release on the records of the department and
6 deleting the endorsement of the security interest from the
7 face of the certificate of ownership. A fee of \$3-shall \$5
8 \$4 must be paid the department for issuing a certified copy
9 of a certificate of ownership subject to a security interest
10 or other lien on file in the office of the department, or
11 for filing an assignment of any security interest or other
12 lien on file with the department. All fees provided for in
13 this section shall must be deposited by the department in
14 the motor vehicle recording account of the state special
15 revenue fund."

16 Section 4. Section 61-3-321, MCA, is amended to read:
17 "61-3-321. Registration fees of vehicles --
18 public-owned vehicles exempt from license or registration
19 fees -- disposition of fees. (1) Registration or license
20 fees shall be paid upon registration or reregistration of
21 motor vehicles, trailers, house trailers, and semitrailers,
22 in accordance with this chapter, as follows:

23 (a) motor vehicles weighing 2,850 pounds or under
24 (other than motortrucks), \$5;

25 (b) motor vehicles weighing over 2,850 pounds (other

1 than motortrucks), \$10;
 2 (c) electrically driven passenger vehicles, \$10;
 3 (d) all motorcycles and quadricycles, \$2;
 4 (e) tractors and/or trucks, \$10;
 5 (f) buses shall be classed as motortrucks and licensed
 6 accordingly;
 7 (g) trailers and semitrailers less than 2,500 pounds
 8 maximum gross loaded weight and housetrailers of all
 9 weights, \$2;
 10 (h) trailers and semitrailers over 2,500 up to 6,000
 11 pounds maximum gross loaded weight (except housetrailers),
 12 \$5;
 13 (i) trailers and semitrailers over 6,000 pounds
 14 maximum gross loaded weight, \$10;
 15 (j) trailers used exclusively in the transportation of
 16 logs in the forest or in the transportation of oil and gas
 17 well machinery, road machinery, or bridge materials, new and
 18 secondhand, shall pay a fee of \$15 annually, regardless of
 19 size or capacity.
 20 (2) All rates shall be 25% higher for motor vehicles,
 21 trailers, and semitrailers not equipped with pneumatic
 22 tires.
 23 (3) "Tractor", as specified in this section, means any
 24 motor vehicle except passenger cars used for towing a
 25 trailer or semitrailer.

1 (4) If any motor vehicle, house trailer, trailer, or
 2 semitrailer is originally registered 6 months after the time
 3 of registration as set by law, the registration or license
 4 fee for the remainder of the year shall be one-half of the
 5 regular fee.
 6 (5) An additional fee of \$2 \$5 \$4 \$3 per year for each
 7 registration of a vehicle shall be collected as a
 8 registration fee. Revenue from this fee shall be forwarded
 9 by the respective county treasurers to the state treasurer
 10 for deposit in the motor vehicle recording account of the
 11 state special revenue fund.
 12 (6) The provisions of this part with respect to the
 13 payment of registration fees shall not apply to or be
 14 binding upon motor vehicles, trailers or semitrailers, or
 15 tractors owned or controlled by the United States of America
 16 or any state, county, or city.
 17 (7) The provisions of this section relating to the
 18 payment of registration fees do not apply when number plates
 19 are transferred to a replacement vehicle under 61-3-317,
 20 61-3-332(7), or 61-3-335."
 21 NEW SECTION. SECTION 5. EFFECTIVE DATE. THIS ACT IS
 22 EFFECTIVE JANUARY 1, 1988.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB492, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the fee for issuance of an original certificate of ownership and transfer of title, the fee for replacement of a lost certificate, the fees for filing of security interests, and the fees for registration of vehicles.

ASSUMPTIONS:

1. FY86 revenue for titles, liens and vehicle registration is representative of FY88 and FY89 revenue.

FISCAL IMPACT:

<u>Revenues:</u> (In million dollars)	<u>FY88</u>		<u>FY89</u>		<u>Biennium Increase</u>
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Current Law</u>	<u>Proposed Law</u>	
Special Revenue Fund	\$2.640	\$5.992	\$2.640	\$5.992	\$3.352
Motor Vehicle Account	\$2.640	\$3.352	\$2.640	\$3.352	\$6.704

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

David L. Hunter DATE 1/20/87
DAVID L. HUNTER, BUDGET DIRECTOR

Joan Miles DATE 1/24/87
JOAN MILES, PRIMARY SPONSOR

Office of Budget and Program Planning

Fiscal Note for HB492, as introduced. HB 92

1 HOUSE BILL NO. 607

2 INTRODUCED BY KEENAN, STANG, SCHYE, MENAHAN, WINSLOW,

3 NATHE, WHALEN, QUILICI, PAVLOVICH, HARP, FRITZ,

4 COHEN, HAFHEY

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO
7 THE DEPARTMENT OF COMMERCE FOR A STATEWIDE INVENTORY OF AND
8 A COMPREHENSIVE PLAN FOR A SYSTEM OF HIGHWAY SIGNS; AND
9 PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

10

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

12 Section 1. Appropriation. There is appropriated to the
13 department of commerce for the biennium beginning July 1,
14 1987, \$35,000 from:

15 (1) the proceeds of House-Bill-No--847--if--House--Bill
16 No:---84---is A BILL passed and approved by the 50th
17 legislature--including THAT INCLUDES provisions for a tax on
18 hotel, motel, or campground accommodations with a portion of
19 the proceeds to be used for tourism promotion; or

20 (2) the general fund if House-Bill-No--84 A BILL AS
21 REFERRED TO IN SUBSECTION (1) is not passed and approved
22 with provisions for use of a portion of its proceeds for
23 tourism promotion.

24 Section 2. Purpose of appropriation. The department of
25 commerce shall use the money appropriated in section 1 to:

1 (1) conduct and complete, in cooperation with the
2 department of highways, the department of fish, wildlife,
3 and parks, and the Montana historical society, a statewide
4 inventory of existing signs located on, adjacent to, or
5 visible from the primary highway and interstate highway
6 systems that:

7 (a) direct or control traffic;

8 (b) provide tourist information;

9 (c) explain historic significance of points along the
10 highway;

11 (d) point out recreational sites;

12 (e) call attention to scenic attractions; or

13 (f) provide other information intended to enhance the
14 experiences of visitors to Montana; and

15 (2) compile a comprehensive plan for location, design,
16 style, construction, and text of a system of signs to be
17 erected along Montana's primary highways and interstate
18 highways for the purposes stated in subsection (1) and in
19 conformance with the provisions of 23 U.S.C. 131.

20 Section 3. Report and recommendations. The department
21 of commerce shall deliver its completed inventory of
22 existing highway signs and comprehensive plan for a
23 statewide signing project to the 51st legislature along with
24 an estimate of the cost of completing the signing project.

25 Section 4. Effective date -- termination. This act is

4
3-4-87



HB 0607/02

1 effective July 1, 1987, and terminates February 28, 1989.

-End-

HB 607

-3-

1989 Biennium Deficit Scenario - Representative Donaldson
(Millions)
March 3, 1987

Funds Available	
Beginning Fund Balance - HB 434	\$ -0-
1989 Biennium Revenue Subcommittee	665.28
Interest Income from Gas Tax - HB 136	<u>2.81</u>
Total Funds Available	\$ 668.09

Disbursements	
Foundation Program 0/0	\$ 94.20
1989 Session Feed Bil	4.33
TRANS Issue and Interest Costs	7.23
Long Term Debt Service	24.96
Additional Worker Compensation Costs	2.06
Subcommittee Appropriations	713.37
Replacement of Lost Education Trust Fund Interest	6.35
Reversions	
Debt Service	(2.94)
Other	<u>(10.00)</u>
Total Disbursements	\$ 839.56

ENDING GENERAL FUND DEFICIT \$(171.47)

----- Resource Scenarios -----

Maximum

Transfers:	
Education Trust - SB 228	8.96
Coal Board - Schools - SB 228	6.36
Interest - Permanent Trust - SB 228	11.58
RRD	0.34
RIT - Subcommittee	4.04
Water Development - Subcommittee	0.48
Block Grant - Oil (SB200)	12.92

Taxes:	
Federal Tax - Gain	73.33
District Courts (HB 155, SB 200)	<u>5.46</u>

Total	\$ 123.47
Resources Needed	<u><u>(171.47)</u></u>

Surplus (Deficit)	\$ (48.00)
Ending Fund Balance	<u><u>(20.00)</u></u>

Remaining Surplus (Deficit)	\$ (68.00)
Property Tax Relief 15%	<u><u>(148.02)</u></u>

Deficit with Property Tax Relief	<u><u>\$(216.02)</u></u>
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GENERAL GOVERNMENT AND HIGHWAYS SUBCOMMITTEE
GENERAL FUND BUDGET REDUCTIONS

Fiscal Fiscal
1988 1989

Judiciary

- 1. Two justice positions plus staff, total 7 FTE, are to sunset 12/31/88. If the legislature chooses not to continue those positions, they might wish to eliminate them even earlier. Option: Eliminate two justice positions and their staff at end of 1987 biennium. Savings of \$345,000 personal services, \$25,000 operating expense
- | | | |
|--|---------|---------|
| | 242,500 | 127,500 |
|--|---------|---------|

Department of Revenue

- 1. The Property Assessment Division is appropriated close to \$10 million annually to carry out the functions of their division. Perhaps we need to take a hard look as to whether or not property assessment should continue in the next biennium at current level. There is tremendous dissatisfaction over the recent appraisals, there are bills pending in the House and Senate that would remove or place back at the county level the major responsibility for assessment and appraisal. The question rises as to whether or not re-appraisal has to go on for the next two years or whether we need to step back, take a good hard look at what we are doing and how we are accomplishing it and perhaps some considerable savings could be accommodated in the process.

Legislative Agencies

Most agencies have been given a 4 percent vacancy savings. Legislative agencies must be treated in a similar fashion.

4 percent vacancy savings	350,000	350,000
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