

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON HIGHWAYS & TRANSPORTATION

Call to Order: By CHAIRMAN ROBERT C. CLARK, on January 27, 1993,
at 3:00 p.m.

ROLL CALL

Members Present:

Rep. Bob Clark, Chairman (R)
Rep. Karyl Winslow, Vice Chairman (R)
Rep. Shiell Anderson (R)
Rep. Joe Barnett (R)
Rep. Bill Endy (D)
Rep. Pat Galvin (D)
Rep. Marian Hanson (R)
Rep. Vern Keller (R)
Rep. Don Larson (D)
Rep. Gary Mason (R)
Rep. Bill Ryan (D)
Rep. Wayne Stanford (D)
Rep. Bill Tash (R)
Rep. Tim Whalen (D)

Members Excused: Rep. David Ewer (D)
Rep. Randy Vogel (R)

Members Absent: None.

Staff Present: Valencia Lane, Legislative Council
Kimberlee Greenough, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 110, SB 126, SB 127, SB 56
Executive Action: SB 110, SB 126, SB 127

HEARING ON SB 110

Opening Statement by Sponsor:

SEN. DARYL TOEWS, SD 9, Lustre, stated he is carrying this bill for the Department of Transportation. The bill is designed to raise the fee on the temporary registration for proportionally registered vehicles. The fee would be raised from \$2.00 to \$5.00 to cover the cost of handling this registration, which is

primarily used for trailers. It will increase revenue about \$30,000 per year, so it is not a large increase.

Proponents' Testimony:

David Galt, Administrator, Motor Carrier Services Division, Department of Transportation, said that SEN. TOEWS did an excellent job of outlining what this bill does. He just wanted to add that the \$5.00 charge would still be below cost. The department does, however, believe this would be an adequate charge.

Questions From Committee Members and Responses: None.

Closing by Sponsor:

SEN. TOEWS thanked the committee and closed.

HEARING ON SB 126

Opening Statement by Sponsor:

SEN. BARRY STANG, SD 26, St. Regis, stated that SB 126 is a bill which limits the request for a refund credit to three years for special fuel taxes. Currently there is no limit to the time on these requests. If someone comes in with a request that is four or ten years old, the department has no way of auditing the request to see if it is a valid and must pay the request. It has turned into a nightmare for the Department of Transportation. In one case they had to pay a \$20,000 credit without knowing if it was valid. This bill would require a request for refund credit be submitted within three years.

Proponents' Testimony:

Cindy Anders, Department of Transportation, presented written testimony for William Salisbury, Administrator, Administration Division, Department of Transportation. EXHIBIT 1

Questions From Committee Members and Responses:

REP. ANDERSON asked if the department had any estimate of how many of these claims are filed. Ms. Anders answered no, because there is no way to audit.

CHAIRMAN CLARK stated this bill does not take effect until October of 1993 and any claims pending will still be there. Ms. Anders said the department would notify the special fuel users of the effective date, if the legislation passes, and give them some time to request their credit.

CHAIRMAN CLARK stated, the way he reads the bill, it only applies to claims requested and paid on or after October 1st. Therefore,

is correct.

CHAIRMAN CLARK asked if the committee could legally amend the bill to put a limit on claims and what would be a reasonable limit. **Ms. Anders** stated that it would be up to the committee to amend. She also said that legislation is not normally retroactive, however, the committee can make the bill retroactive if it specifically states that intention. She also said that when this bill was drafted she had spoken to the department and received their concurrence with the effective and applicability date seen in the bill.

REP. TASH said the way he reads the bill is that the off-road fuel tax exemption would not follow under the special fuel tax. **SEN. STANG** stated that if fuel was purchased without tax or off-road, there would not be a credit due.

Closing by Sponsor:

SEN. STANG indicated the same questions asked here were asked on the Senate floor. **Ms. Anders** stated the department will be sending out a newsletter to distributors detailing all the changes in the laws. This notice will give those who have credits three or four years old a couple of months to submit them.

HEARING ON SB 127

Opening Statement by Sponsor:

SEN. BARRY STANG, SD 26, St. Regis, stated SB 127 is a bill which allows the Department of Transportation to require a petroleum dealer who is not licensed by the department to file quarterly reports on fuel received and sold during the quarter. This would affect someone owning a gas station who is not required to have a license to dispense fuel. The department has signed a number of negotiations with the tribes in order to comply with compacts needed to get information from gasoline stations or unlicensed dealers on the reservations. The department will be able to determine how many gallons are sold so a credit can be issued to the tribe for the number of gallons sold on the reservation. The reason the department made this permissive is because we have no use for this information from someone like **SEN. STANG** who owns a gas station.

Proponents' Testimony:

William Salisbury, Administrator, Administration Division, Montana Department of Transportation, presented written testimony. EXHIBIT 2

Questions From Committee Members and Responses:

REP. WINSLOW asked for the definition of an unlicensed petroleum dealer. SEN. STANG replied it is usually a retailer, someone who owns a gas station for retail sales. There is no need for the department to license dealers at the retail level since the tax on gasoline is collected at the distributor level. The license is for the distributor, not the retailer.

REP. WINSLOW asked about farmers or ranchers who have the ability to distribute gas and whether they would be licensed or unlicensed. SEN. STANG replied they would be unlicensed because they would not be buying gas for distribution.

REP. ENDY asked if someone could go out-of-state to get fuel and not pay tax. Mr. Salisbury answered yes, people do import fuel from out-of-state and somehow become licensed distributors.

Closing by Sponsor:

SEN. STANG closed by saying that he didn't know that he could go out-of-state to buy fuel.

HEARING ON SB 56**Opening Statement by Sponsor:**

SEN. ELEANOR VAUGHN, SD 1, Libby, stated SB 56 would create special license plates for firefighters and personnel of licensed emergency medical services. The bill will not cost the general fund any money and would increase the fee to \$15.50. This bill is for safety reasons. Sometimes firefighters don't arrive at the station in time to get on the fire trucks so they come in their own vehicles to the scene of the fire or medical emergency. She believes these special license plates will help the public quickly identify an emergency vehicle. The plates will also be a good way for volunteers to get some recognition.

Proponents' Testimony:

Drew Dawson, Chief of the Emergency Medical Services Bureau, Department of Health and Environmental Sciences, presented written testimony. EXHIBIT 4

Dean Roberts, Montana Motor Vehicle Division, stated the Division supported this bill in the Senate because it has some public safety implications. He also stated he would like to propose an amendment. EXHIBIT 5. This amendment would appropriate money to the Department of Justice which currently spends \$70,000 a year mailing special plates. He also indicated this is only the beginning of requests for special plates. At the present time we have 115 different plates in Montana. EXHIBIT 6

Bush Weedon, Director of Fire Training School of the Montana State University Extension Service, indicated support for the bill. He said he believed the funds raised as a result of this bill will make a significant contribution to development of fire training facilities around the state. He stated the school would like to have a matching grant program.

Ed Fleece, Montana State Council of Professional Firefighters, stated the Council supports this bill.

Ross Fitzgerald, Fire Chief of Power, Montana Volunteers Association, said the Association supports this bill.

REP. WAYNE STANFORD, HD 62, Stevensville, and fireman in Ravalli County, stated he would like to go on record as being in favor of this bill.

Opponents' Testimony:

Kevan Bryan, Yellowstone County Treasurer, Vice President of the Montana County of Treasurers' Association, stated that the fire services training school and higher education for emergency medical service personnel are certainly two very worthy vocations to receive some state funds. The Association rises in strong opposition to SB 126, not because of the intent of the bill, but because of the process it continues. Personal plates are getting out of hand. Personnel, upon retiring, are supposed to surrender the plates to the Department of Justice. This bill will require another method to be established for the return of plates and require another trip to the county treasurers' office. It would be virtually impossible to administer this collection process. We need to stop the ever-growing list and nightmare of specialty plates. We feel a windshield decal would serve the same purpose of identification on the scene. We support the firefighters and the emergency medical personnel, however, believe money will probably be lost on this bill.

Dick Michelotti, Cascade County Treasurer, presented written testimony. EXHIBIT 3

Mary Kay Browning, Ravalli County Treasurer, presented written testimony. EXHIBIT 7

Questions From Committee Members and Responses:

REP. WINSLOW asked Mr. Bryan to explain the loss of money to the state. Mr. Bryan replied that for the computer time, fixed costs, and any specialty plates, the start-up costs are approximately \$7,200.

REP. STANFORD asked who these plates are mailed to initially, the individual or in large packages. Mr. Roberts stated it depends on the counties. The larger counties get packages, and in smaller counties individual plates are mailed to the treasurer.

REP. LARSON asked Mr. Roberts if the request to amend this bill had been made in the Senate. Mr. Roberts replied it was voiced but not prepared.

REP. LARSON asked if the committee didn't adopt the amendments, would the Division support the bill. Mr. Roberts replied no.

REP. LARSON asked why there wasn't postage charged. Mr. Roberts replied the Division does not have the statutory authority.

REP. LARSON asked if this bill would be the proper one to put in the charge for postage. Mr. Roberts stated that it would help the Department of Transportation, but would not help the counties. Counties would have to appropriate the money.

CHAIRMAN CLARK asked Ms. Lane to explain the addition of postage money.

Ms. Lane stated that as long as the title is amended and it is within the general scope of the bill, an amount for postage could be added.

REP. LARSON asked if, the committee managed to amend the bill so there would be handling costs passed through to counties, would Mr. Bryan still be opposed to the bill. Mr. Bryan answered yes.

REP. WINSLOW asked if a decal or some other designation to separate these vehicles from the rest of the public would be helpful. Would there be some way other than the license plate. Mr. Fleece replied there are some emergency medical decals.

REP. GALVIN asked if Deer Lodge could mail the plates directly to the individual. Mr. Bryan said it would cost Deer Lodge more to mail one set of plates at a time.

REP. GALVIN asked if the recipient could be charged the for the mailing cost. Mr. Bryan indicated bundling removes the burden from Deer Lodge which would eliminate the need for people to come to the treasurer's office for certain situations.

REP. STANFORD asked what would be the simplest for treasurers as far as license plates are concerned. Mr. Bryan stated to keep a lid on the specialty plates.

REP. LARSON said he is interested in limiting the plates to a certain number, say one hundred, and in order for a new group to get a specialty plate we should have to take one off the market. He asked how difficult it would be to do this. Mr. Roberts stated it could be done by legislation.

CHAIRMAN CLARK asked which plates sell the least. Mr. Roberts replied that it would be the reserve plates.

CHAIRMAN CLARK asked if there have been any states that have

reached a saturation point and done away with specialty plates. Mr. Roberts answered yes, the state of Wisconsin is one.

CHAIRMAN CLARK asked if there was a possibility the bill could be amended to stipulate the state will not fund any plates that don't pay for themselves. Mr. Roberts indicated the state is making money on specialty plates, however, county agencies don't.

REP. WINSLOW asked when talking about exempt plates, are those the ones with orange lettering, and, if the plates for the emergency vehicles are really necessary, could we come up with a plate with different color numbering. Mr. Roberts replied that the costs are all about the same. It would be up to the sponsor.

Closing by Sponsor:

SEN. VAUGHN closed stating she appreciated the committee's time and understands the treasurers' dilemma.

EXECUTIVE ACTION ON SB 110

Motion/Vote: REP. HANSON MOVED SB 110 BE CONCURRED IN. Motion CARRIED unanimously.

EXECUTIVE ACTION ON SB 126

Motion/Vote: REP. GALVIN MOVED SB 126 BE CONCURRED IN. Motion CARRIED unanimously.

EXECUTIVE ACTION ON SB 127


Motion/Vote: REP. GALVIN MOVED SB 127 BE CONCURRED IN. Motion CARRIED unanimously.

ADJOURNMENT

Adjournment: 4:45 p.m.



ROBERT C. CLARK, Chairman



KIMBERLEE GREENOUGH, Secretary

RC/kg

HOUSE STANDING COMMITTEE REPORT

January 28, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Highways and Transportation report that Senate Bill 110 (third reading copy -- blue) be concurred in .

Signed: Robert C. Clark
Robert C. Clark, Chair

Carried by: Rep. M. Hanson

HOUSE STANDING COMMITTEE REPORT

January 28, 1993

Page 1 of 1

Mr. Speaker: We, the committee on Highways and Transportation report that Senate Bill 127 (third reading copy -- blue) be concurred in .

Signed: Robert C. Clark
Robert C. Clark, Chair

Carried by: Rep. Larson

Date: January 27, 1993

EXHIBIT 1
DATE 1-27-93
SB 126

SENATE BILL 126

SUBMITTED BY: WILLIAM SALISBURY, ADMINISTRATOR
ADMINISTRATION DIVISION
DEPARTMENT OF TRANSPORTATION

"AN ACT LIMITING THE TIME PERIOD IN WHICH A REQUEST FOR A REFUND OR CREDIT CAN BE MADE FOR SPECIAL FUEL TAXES OR FOR A TEMPORARY PERMIT FEE.

Limits the State's liability for non-audited credit refunds to special fuel users, to a period of not more than three years.

It's currently possible for special fuel users to carry a credit on their records indefinitely. There is no set time limit on unaudited credits. However, the statute of limitations states in 15-17-329, MCA, that records older than three years can not be audited. Consequently, any credit amount carried over three years on any special fuel user's record is subject to reimbursement by the State without an audit to verify it. Senate Bill 126 would limit the amount of time, to not more than three years, for special fuel tax refunds.

The Montana Department of Transportation urges this committee to give this proposal a do-pass recommendation.

EXHIBIT 2
DATE 1-27-93
SB. 127

Date: January 27, 1993

SENATE BILL 127

SUBMITTED BY: WILLIAM SALISBURY, ADMINISTRATOR
ADMINISTRATION DIVISION
MONTANA DEPARTMENT OF TRANSPORTATION

"AN ACT ALLOWING THE DEPARTMENT OF TRANSPORTATION TO REQUEST AN UNLICENSED PETROLEUM DEALER WHO IS NOT LICENSED UNDER TITLE 15, CHAPTER 70 OR 71, MCA, TO FILE QUARTERLY REPORTS ON FUEL RECEIVED AND SOLD DURING THE QUARTER".

Allows the Montana Department of Transportation to request all unlicensed petroleum dealers to report all petroleum sales to the Montana Department of Transportation in compliance with signed tribal governments cooperative agreement as provided in 15-70-234 and to aid in determining destination and usage for all petroleum products. Effective January 1, 1994.

The Montana Department of Transportation appears before this committee to offer our support for Senate Bill 127.

In 1992 the Montana Department of Transportation signed Tribal Government Cooperative Agreements with four reservations, as provided in 15-70-234, MCA. This statute allows the Montana Department of Transportation to refund taxes collected on fuel consumed by enrolled tribal members on the individual's reservation. Since usage of gasoline is not available at a specific physical location, this distribution currently is based on an average per capita usage. Several reservations have requested a refund for a percentage of fuel sold on the reservation to enrolled members. In order to reimburse the Tribal Government for actual amounts due, it is necessary for every unlicensed gasoline dealer to report its actual sales to the Montana Department of Transportation. Non-discrimination clauses require Senate Bill 127 to affect the entire State of Montana.

The individual reports by unlicensed gasoline dealers will also aid in determining gasoline distribution and usage within the state.

The Montana Department of Transportation urges this committee to give this proposal a do-pass recommendation.

EXHIBIT 3
DATE 1-27-93
SB 56

January 26, 1993

→ REPRESENTATIVE PAT GAVIN *eb*

DEAR PAT;
NEED YOUR SUPPORT TO KILL SB 56.
THIS BILL IS A NUISANCE BECAUSE THE COUNTY TREASURER'S OFFICE HAS SOME 33 TO 35 DIFFERENT LICENSE PLATES THAT WE MUST NOW STORE AND HANDLE FOR MOTOR VEHICLES. THE ONE DOLLAR THAT THE COUNTY WOULD RECEIVE FOR THE HANDLING DOES NOT EVEN COVER THE EXPENSE THAT WOULD BE PLACED UPON THE COUNTY. THERE ARE OVER 123 DIFFERENT TYPES AND PLATES INCLUDING EXEMPT GOVERNMENT PLATES NOW ON THE HIGHWAY. GOD HELP THE LAW ENFORCEMENT AGENCIES.

SINCERELY

Dick Michelotti

DICK MICHELOTTI
CASCADE COUNTY TREASURER

115 Department of Justice

4
EXHIBIT
DATE 1-27-93
SB 56

SENATE BILL 56
Testimony of Drew Dawson

Mr. Chairman and members of the committee. I am Drew Dawson, Chief of the Emergency Medical Services Bureau in the Department of Health and Environmental Sciences.

I am pleased to support Senate Bill 56. Montana is fortunate to have a number of very dedicated emergency medical services personnel working with ground ambulance services, air ambulance services and non-transporting or quick response units. By allowing their identification through a special license plate, Senate Bill 56 recognizes their special contributions and would increase their public visibility and appreciation.

Thank you for the opportunity to testify.

EXHIBIT 5
DATE 1-27-93
SB 570

SENATE BILL 56

Proposed Amendment
Prepared by Department of Justice

Page 1, line 10:

STATE GENERAL FUND; APPROPRIATING MONEY TO THE DEPARTMENT OF JUSTICE TO ADMINISTER THE ISSUANCE OF THE SPECIAL PLATES; AMENDING SECTIONS 61-3-332 AND 61-3-446,

Page 27, line 7, insert new section 3 as follows:

NEW SECTION. **Section 3.** **Appropriation.** There is appropriated from the general fund to the department of justice for the biennium ending June 30, 1995, the sum of \$32,500 to be used to administer the issuance of special license plates for firefighters and emergency medical services personnel.

Page 27, end:

NEW SECTION. **Section 3 4.** **Effective date.**

EXHIBIT U
 DATE 1-27-93
 SB 56

MONTANA PLATE TYPES

GENERAL PUBLIC GROUP

	Large	P.	T.	Lg.Tr.	Sm.Tr.	Cycle	
PERSONALIZED: '91 Re-Issue:	x			x			2
Centennial:	x			x			2
NUMBERED: '91 Re-Issue:		x	x	x			3
Centennial:		x	x	x			3
							<u>10</u>

COLLEGIATE GROUP:

	Pers.	#	'd
Montana Tech:	x	x	2
University of Montana	x	x	2
Carroll College	x	x	2
Dawson Community Colge.	x	x	2
Eastern Montana Colge.	x	x	2
College of Great Falls	x	x	2
Rocky Mountain College	x	x	2
Western Montana College	x	x	2
Montana State Univer.	x	x	2
Miles City Community	x	x	2
Flathead Valley Commun.	x	x	2
Northern Montana Colge.	x	x	2
Salish Kootenai College	x	x	2
			<u>26</u>

SPECIALTY GROUP:

	'91	Cent.	
Hdcp-Cycle-Pers:			1
Hdcp-Cycle-Numb:			1
Hdcp-Large-Pers:	x	x	2
Hdcp-Large-Numb:	x	x	2
Disabled Vet-Pers:	x	x	2
Disabled Vet-Numb:	x	x	2
Ex-POW:	x	x	2
Pearl Harbor Vet:	x	x	2
Ham Radio:	x	x	2
Vintage:			1
Transit:			1
Special Mobile			1
			<u>19</u>

GOVERNMENTAL GROUP:

	New	Old	Sm.
County Exempt:		x	x
M) State Owned:		x	x
FG) FW&P:	x		
H) MDOT:		x	
MP) Motor Pool		x	
MHP) MT Highway Pat.	x		
DMV) Motor Vehicle D.	x		
MSP) MT State Prison	x	x	
DS) Driver Services		x	
DSL) Dept. State Land		x	
LS) Dept. Livestock		x	
MH) MT Highway Comm.		x	
EMS) Dept. of H&ES		x	
PSC) Public Svc. Comm.		x	
DP) Data Processing D		x	
MVI) Motor Veh. Invest.		x	
BP) Board of Pardon		x	
			<u>21</u>

ARMED FORCES GROUP:

	'91	Cent.	
National Guard:	x	x	2
Navy Reserve:	x	x	2
Army Reserve:	x	x	2
Air Force Reserve:	x	x	2
Marine Corp. Reserve:	x	x	2
Fed. Plates (Special):	x		1
Purple Heart:	x	x	2
Army:	x	x	2
Navy:	x	x	2
Marine:	x	x	2
Air Force:	x	x	2
Coast Guard:	x	x	2
			<u>23</u>

DEALER GROUP:

	Dealer	Demo	
New:	x	x	2
Used:	x	x	2
Recreational Vehicle	x	x	2
Motorcycle:		x	1

EXHIBIT 7
DATE 1-27-93
SB 56

54

COUNTY OF RAVALLI



The Bitterroot Valley
Hamilton, Montana 59840

January 27, 1993

The Honorable Gary Mason
House of Representatives
Capitol Station
Helena, Mt 59620

Dear Gary:

SB 56 will be heard today at 3:00pm. HB 270 will be heard 1-29-93. I would appreciate a no vote or do not pass on both of these bills. They will cost the State more in administrative costs than will be generated if these two bills pass.

There are nearly 40 different license plates that are now issued by the State through the Treasurers Offices. These two bills could add more than 10 different plates for issuance. The aluminum that is used in these plates probably is astronomical. Please consider the fiscal notes on these bills very carefully before voting on them.

HB 270 would also add more responsibility to the Treasurers Offices in checking current membership in the particular fraternal organization .

If you have any questions, please call me at 363-3111 or 3112. Thank you.

Sincerely,

Mary Kay Browning, Treasurer
Ravalli County

Post-It™ brand fax transmittal memo 7671		# of pages > 1	
To	Hon. GARY MASON	From	MARY KAY BROWNING
Co.	House of Represen	Co.	RAVALLI
Dept.	Helena	Phone #	363-3111
Fax #	444-4800	Fax #	363-1893

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

House Transport COMMITTEE

BILL NO. SB 56, 126

DATE Jan. 27, 1993 SPONSOR(S) Sen. Stang x2, Tolson, Dougherty

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PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
DAVE GALT	SB 110	✓	
DEAN RIKETS	SB 56 MVD	✓	
ROSS H. FITZGERALD	FIRE TRNG SCHOOL ADV ^{SB 56} Council	✓	
St. Weldon	MSK - Fire School	✓	
PAUL SLITER	WIPMA - PETROLEUM MARKERS	NEUTRAL	126 127
DREW DAWSON	EMS Bureau, Dept Health SB 56	✓	
Andy Krause	SB 110	✓	
Cindy Andrus	Dept of Trans SB 126, 127	✓	
Bill Salzman	Dept of Trans SB 126, 127	✓	
Mr. Brackman	NIT St. Francis Assoc	56 ✓	
St. L. Ft.	Mt. State Council of Prof. Educ. ^{SB 56}	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.