

MINUTES

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

COMMITTEE ON HIGHWAYS & TRANSPORTATION

Call to Order: By CHAIRMAN ROBERT C. CLARK, on March 5, 1993, at 3:15 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. Randy Vogel (R)
Rep. Tim Whalen (D)

Members Excused: Rep. Ewer (D)

Members Absent: None.

Staff Present: Connie Erickson, Legislative Council
Kimberlee Greenough, Committee Secretary

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

Committee Business Summary:

Hearing: SJR 17, SB 416, SJR 25
Executive Action: SJR 17

HEARING ON SJR 17

Opening Statement by Sponsor:

SEN. CECIL WEEDING, SD 14, Jordan, stated SJR 17 is a resolution asking the Department of Transportation to assess the need to

revise Montana statutes and administrative rules to coincide with the new ISTEAF funding program. This resolution also addresses the signing on the highways.

Proponents' Testimony:

Jim Beck, Montana Department of Transportation, stated Title 60 needs to be revised. He also stated the signing laws are unclear and need to be revised. The intent is not to make money off of the signing program.

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. TASH asked what is the source of revenue to provide funding for these signs. SEN. WEEDING stated the signs are put up by the businesses.

REP. TASH asked if there is revenue generated from these signs. Mr. Beck stated the only fees received are for the administrative costs involved in overseeing the placement and maintenance of the signs. The signs are not viewed as a money generating program for the Department of Transportation.

REP. WHALEN asked if the provisions of ISTEAF address signing the highways. Mr. Beck stated the intent is to have laws on the books in order to fully implement the funding of ISTEAF.

REP. CLARK stated REP. WYATT has some proposed amendments.
EXHIBIT 1

SEN. WEEDING stated he was not aware of these amendments. He indicated he was aware of REP. WYATT'S concern and does not see a problem with the amendments.

Closing by Sponsor:

SEN. WEEDING thanked the committee for their time and attention, and urged a be concurred in recommendation.

HEARING ON SB 416

Opening Statement by Sponsor:

SEN. BETTY BRUSKI-MAUS, SD 12, Wibaux, stated SB 416 is an act requiring that motor fuel tax payments, in the amount of \$200,000 or greater be made to the Department of Transportation by electronic fund transfer.

Proponents' Testimony:

Bill Salisbury, Administrator, Administration Division,
Department of Transportation, spoke in favor of SB 416. EXHIBIT
2

Opponents' Testimony:

Steve Visocan, Montana Petroleum Marketers, stated this bill will cause a cash management problem for small businesses that operate on narrow margins. It is important for these people to have as much time as possible to send in the money. There are strong penalties from the state when you do not pay on time. There is a general law right now that states payments over \$500,000 must be made by electronic fund transfer.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. VOGEL asked how many businesses are in the \$200,000 range. Mr. Salisbury stated approximately 16 businesses.

REP. VOGEL asked how much money the state is losing now. Mr. Salisbury stated approximately \$100,000 a year is lost in interest because of the "float time" (time between receipt of check and the check being cleared by the bank). He also stated some of these businesses bank out-of-state, which causes a few problems.

REP. VOGEL asked if the Department was losing money from every business. Mr. Salisbury said, no.

REP. VOGEL asked how many of these businesses are having difficulties. Mr. Salisbury replied approximately three or four businesses.

REP. VOGEL asked if this is going to affect all businesses, even the ones trying to make payments as soon as possible. Mr. Salisbury said yes.

REP. VOGEL asked about having all of these businesses pay by electronic fund transfer.

REP. HANSON asked if you have an eight-day float and are going to require businesses submit payments electronically, why don't you move the date to the first of the month instead of leaving it at the twenty-fifth. Mr. Salisbury said the reason the date is on the twenty-fifth is it allows businesses to get all of their paperwork finished. Mr. Salisbury also said some businesses leave money on deposit with the department.

REP. VOGEL said if they are going to require this transfer, everyone should do it. Mr. Visocan stated all of his members are against this bill.

REP. TASH asked if the state has the electronic equipment necessary to handle these transfers. Mr. Salisbury said yes.

REP. TASH asked if the state disburses funds by electronic transfer. Mr. Salisbury responded in the affirmative.

REP. STANFORD stated we need to make sure the money is there on time and treat everyone equally. Mr. Visocan said that did not sound desirable to him.

Closing by Sponsor:

SEN. BRUSKI-MAUS thanked the committee for the attention given during the hearing.

HEARING ON SJR 25

Opening Statement by Sponsor:

SEN. BETTY BRUSKI-MAUS, SD 12, Wibaux, indicated SJR 25 is being brought to this committee at the request of Senate Highways Committee. It is the Senate's opposition to Section 333 of the Federal Department of Transportation and Related Agencies Appropriations Act. This act allows people to lose their drivers license for any type of drug or alcohol related conviction. The state of Montana feels that driving related acts should be the only ones that can cause people to lose their licenses. The only way to keep Montana's federal funds is to certify that the governor is opposed to the enactment of this federal act.

Proponents' Testimony:

Peter Funk, Montana Department of Justice, stated this all started in 1990 and affected fiscal year 1991. If Montana fails to enact similar laws or to pass this resolution the federal government will take away our highway funds. Our concern is that this federal scheme is not linked to driving behavior; it is for any alcohol or drug conviction.

Opponents' Testimony: None.

Informational Testimony: None.

Questions From Committee Members and Responses:

REP. WHALEN stated the bill says there are two ways to avoid losing the highway funds, e.g., enacting legislation or by a letter from the governor to stating he is opposed to this federal act. He asked if the governor has given his position on this bill. Mr. Funk stated he has talked to the governor's office and they were not wild about telling the federal government they were opposed to this act but, would not oppose the resolution.

REP. TASH asked if there was any testimony from the Department of Transportation when this bill was heard in the Senate. SEN. BRUSKI-MAUS stated yes, but she could not remember exactly what was said.

REP. VOGEL asked why not take the licenses away if they are convicted of a drug or alcohol offense. If they are convicted of using, most of these people will have driven under the influence. Mr. Funk said he could not argue with the logic or the potential effects of this act. He stated their concern is the integrity of the driver licensing system. If we go down this road where do we stop? Is suspension of the driver's license going to be used for a variety of non-driving offenses?

REP. VOGEL stated that having a driver's license is a privilege not a right.

REP. ENDY asked if we are being blackmailed again. He also asked what SB 309 was. Mr. Funk stated SB 309 was a bill that would implement the license suspension for drug conviction scheme. He also stated yes, we are being blackmailed again. He indicated if this resolution passes, it will guarantee that the highway funds keep coming. If this resolution gets tabled, Montana will lose \$13 million a year.

CHAIRMAN CLARK asked if the governor signs the resolution, does this signify that the governor is opposed to the federal act. Mr. Funk stated no, the governor would still have to send a letter with the exact wording the federal government requires.

Closing by Sponsor:

SEN. BRUSKI-MAUS stated we have worked hard on SJR 25. The original bill, SB 309, is not consistent with Montana law. She closed by thanking the committee for their time.

EXECUTIVE ACTION ON SJR 17

Motion: REP. WHALEN MOVED SJR 17 BE CONCURRED IN.

Discussion:

REP. WHALEN stated he would like to amend the bill. EXHIBIT 1

REP. MASON said he is against the proposed amendments.

REP. WHALEN stated as long as they are going to be studying the entire system, they can also study this issue. The Department of Transportation was in agreement with the amendments.

Motion/Vote: REP. WHALEN MADE A SUBSTITUTE MOTION TO AMEND SJR 17. Motion carried with REPS. MASON and ANDERSON voting no.

Motion/Vote: REP. WHALEN MOVED SJR 17 BE CONCURRED IN AS AMENDED. Motion carried with REP. MASON voting no.

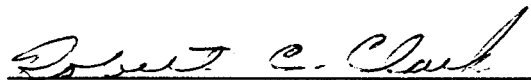
HOUSE HIGHWAYS & TRANSPORTATION COMMITTEE

March 5, 1993

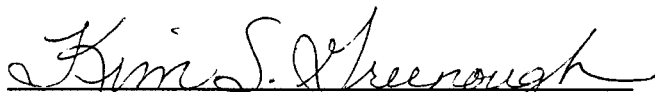
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ADJOURNMENT

Adjournment: 4:08 p.m.



ROBERT C. CLARK, Chair


KIMBERLEE GREENOUGH, Secretary

RC/kg

HOUSE OF REPRESENTATIVES
HIGHWAYS AND TRANSPORTATION **COMMITTEE**

ROLL CALL

DATE March 5, 1993

NAME	PRESENT	ABSENT	EXCUSED
REP. KARYL WINSLOW - VICE CHAIR	✓		
REP. SHIELL ANDERSON	✓		
REP. JOE BARNETT			
REP. BILL ENDY	✓		
REP. DAVID EWER			✓
REP. PAT GALVIN - VICE CHAIR	✓		
REP. MARIAN HANSON	✓		
REP. VERN KELLER	✓		
REP. DON LARSON	✓		
REP. GARY MASON	✓		
REP. BILL RYAN	✓		
REP. WAYNE STANFORD	✓		
REP. BILL TASH	✓		
REP. RANDY VOGEL	✓		
REP. TIM WHALEN	✓		
CHAIR BOB CLARK	✓		

HOUSE STANDING COMMITTEE REPORT

March 6, 1993

Page 1 of 2

Mr. Speaker: We, the committee on Highways and Transportation report that Senate Joint Resolution 17 (third reading copy -- blue) be concurred in as amended .

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

And, that such amendments read:

Carried by: Rep. Endy

1. Title, line 19.

Following: " ; "

Insert: "REQUESTING AN EXAMINATION OF THE CONCEPT OF CONSTRUCTING A HIGHWAY OF INTERSTATE QUALITY BETWEEN BILLINGS AND GREAT FALLS; "

2. Page 3, line 1.

Following: "cities"

Insert: " ; and

WHEREAS, the highway system between Billings and Great Falls has the potential to greatly enhance the economic vitality of both communities and the state in general; and

WHEREAS, without substantial upgrades to the existing highway system between Billings and Great Falls, the state risks forfeiting significant improvements to the Montana transportation system and the potential economic benefits attendant to a highly useable transportation system between two of the state's largest urban and economic centers that stand as gateways to other economic centers"

3. Page 4.

Following: line 8

Insert: "BE IT FURTHER RESOLVED, that the Legislature urge the Department of Transportation to examine the concept of constructing or reconstructing the highways leading most directly between Billings and Great Falls, including consideration of the most efficient and effective means of upgrading the Billings-Great Falls highways to be substantially the same quality as the state's interstate

Committee Vote:

Yes 14, No .

510915SC.Hpf 3/8/93

March 6, 1993
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highways. The Department's consideration of the upgrade should include but should not be limited to a cost estimate, a construction schedule, and the means of finance. The Department is requested to prepare a written report encompassing the Legislature's requests and to make the report available to the Legislature on or before December 1, 1994."

-END-

510915SC.Hpf 3/1/93

Amendments to Senate Joint Resolution No. 17
Third Reading Copy

Requested by Rep. Diana Wyatt

Prepared by Dave Bohyer
February 25, 1993

1. Title, line 19.

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Date: March 5, 1993

Senate Bill 416

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

"AN ACT REQUIRING TAX PAYMENTS TO THE DEPARTMENT OF TRANSPORTATION IN THE AMOUNT OF \$200,000 OR GREATER TO BE MADE BY ELECTRONIC FUNDS TRANSFER".

This bill requires taxpayers to electronically transmit payments of \$200,000 or greater to the Montana Department of Transportation to expedite deposits.

The Montana Department of Transportation appears before this committee to offer our support for Senate Bill 416.

As a result of the creation of the Montana Department of Transportation, some of the components of the Motor Fuels Tax Division of the Montana Department of Revenue did not transfer to the Montana Department of Transportation. The ability to require payments of \$500,000 or more to be transmitted electronically was one of these components. Due to post office, banking, and mail room procedures, some payments take up to 14 days before they are realized by the state. Electronic transfers guarantee deposits that same day, resulting in up to two weeks of earned interest otherwise lost in delivery. Senate Bill 416 would allow the Department of Transportation to require electronic transfers on payments of \$200,000 or more.

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

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

SB 410
SJR 17
~~SJR 25~~

SPONSOR (S)

PLEASE PRINT

[illegible]

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