

MINUTES

MONTANA SENATE
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON HIGHWAYS & TRANSPORTATION

Call to Order: By CHAIRMAN LARRY TVEIT, on March 2, 1995, at
3:00 p.m. in Room 410.

ROLL CALL

Members Present:

Sen. Larry J. Tveit, Chairman (R)
Sen. Charles "Chuck" Swysgood, Vice Chairman (R)
Sen. Mack Cole (R)
Sen. Ric Holden (R)
Sen. Reiny Jabs (R)
Sen. Arnie A. Mohl (R)
Sen. Greg Jergeson (D)
Sen. Linda J. Nelson (D)

Members Excused: None

Members Absent: Sen. Barry "Spook" Stang (D)

Staff Present: Valencia Lane, Legislative Council
Carla Turk, Committee Secretary

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

Committee Business Summary:

Hearing: HB 204 HB 294 SB 390
Executive Action: HB 204 HB 294

HEARING ON HB 204

Opening Statement by Sponsor:

REPRESENTATIVE JOE TROPILA, House District 47, Great Falls, said HB 204 began as a simple little one page bill which added three words to existing language and portrayed it as having developed into one of the largest headaches he had in the House before it finally passed. He stated that all the Bill now did was add two words to the title, so that people would know they bought a rebuilt salvage vehicle. He said that presently an "R" was placed on the title to identify rebuilt salvage, but maintained

that people did not know what the R meant. He said he wanted to identify these vehicles for the consumer and contended the Bill was a consumer protection bill. He reserved the right to close.

Proponents' Testimony:

Dean Roberts, Administrator of the Motor Vehicle Division for the Department of Justice, said that in 1991 a task force was formed to look at auto theft problems in Montana and one of their recommendations had been adopted into law. He said it had been recommended that if an insurance company totaled or salvaged a vehicle less than five years old, the title had to be turned in to the State and the vehicle then had to be sold on a salvage certificate. He explained that their Department sent the salvage certificate to either the insurance company or the individual who bought the vehicle. **Mr. Roberts** attested that before a salvage vehicle was allowed to be titled again it had to have a third level inspection which involved the vehicle's being hoisted up for an inspection of all component parts which had been damaged. He commented that the inspection of the component parts was to determine that none of those parts came from a chop shop but the inspection was not for safety purposes.

Mr. Roberts stated that with current law they did not brand the title and that was what this Bill would have them do. He said it would have them, as most states do, brand the title of the reconstructed vehicle as a salvage vehicle. He contended that this would allow consumers, auto dealers and others in commerce to know the vehicle had once been seriously damaged. He testified that he supported the Bill and he was available to answer any questions.

Steve Turkiewicz representing the Montana Auto Dealers Association, said his Association asked the Committee's support on HB 204. He related that over recent years they had a number of instances where this type of vehicles had shown up at dealerships and were traded and worked on. He cited one instance where a newer, low mileage vehicle was brought in for warranty work at a dealership which had not sold the vehicle. He stated that the warranty work had been completed and in the process of filing the warranty claim the dealer received notice from the manufacturer that the vehicle had no warranty because it had been totalled. He related that the dealer explained the report to the consumer, who in turn argued and ultimately took the vehicle to another dealership away from the area and traded it for another vehicle without conveying the information to the second dealer. He reported it was fortunate that through a process of information their Association was able to convey the information to the second dealer who was able to make a decision on how to handle the situation regarding disclosure to future dealers or purchasers.

Mr. Turkiewicz depicted past problems due to a dealer having taken a vehicle in trade without realizing that it was salvaged or rebuilt and selling it to another consumer who then discovered the damage. He said that consumer would then return to the dealer who were circumstantially seen as experts and courts and judicial bodies had found that dealers should have known better and were experts and were required to buy the car back or repay the consumer. He maintained that they wanted to know if a vehicle had been rebuilt and be able to tell their customers that same information. He said they would appreciate the Committee's consideration and support of HB 204.

Opponents' Testimony:

None

Questions From Committee Members and Responses:

SENATOR CHARLES "CHUCK" SWYSGOOD recounted that the sponsor wanted to make this a consumer Bill so that people buying a vehicle would know that it was a reconstructed vehicle. However, he said, a purchaser wouldn't see the title until after the purchase was made. He said he appreciated what the sponsor was trying to do, but asked how the branded title would be an insurance factor for the consumer? REPRESENTATIVE TROPILA stated that the Bill had begun as a consumer bill and ended up something larger and asked if he could refer the question.

Dean Roberts stated that there was no way the purchaser would know if they did not see the title. He testified that he wished more consumers would not buy a vehicle without seeing the title because they did have the right to see it before the vehicle was sold to you.

SENATOR SWYSGOOD questioned at what point the title would be stamped rebuilt salvage, as it related to a dealer? He asked if a vehicle was extensively damaged, traded in, fixed by the dealer and offered for resale, would that make the vehicle's title be subject to stamping when it had not gone through a salvage process? Steve Turkiewicz asked for a clarification of the role of the insurance company in the example give? He asked if the insurance company had sent a check to the consumer and stated that they did not want the car? He said that with this legislation a significantly damaged vehicle which the insurance company totalled, gave a cash settlement and collected the title would have a killed title sent to Deer Lodge. He contended that at this point Deer Lodge would have the information for stamping. He stated that the totalled vehicle could be bought for rebuilding and that rebuilder would only have a salvage certificate with the vehicle's VIN numbers. He continued that after the rebuilding took place the inspection Mr. Roberts described would take place and a new Montana Title would be

issued. He said that presently these new titles had a small R designation in the title, but this Bill asked for a stamp clearly stating "rebuilt".

SENATOR SWYSGOOD queried that unless a vehicle went through the salvage process, information regarding a severely damaged vehicle still may not be available to an ultimate buyer? **Mr. Turkiewicz** stated that was a possibility.

SENATOR RIC HOLDEN related much of the Auto Dealer Membership as having quality shops doing good work and speculated that adoption of HB 204 could make those members suffer because their work would be labeled rebuilt regardless of its' quality. He questioned whether those dealers would realize less profit even though they had trained, certified people doing the work? **Steve Turkiewicz** said he would not dispute that, except regarding the point of disclosure and the trend of court cases which perceived car dealers to be the experts. He stated that point of liability for a dealer arose whenever an individual bought a vehicle they believed was not rebuilt and later proved in court that it was rebuilt and not disclosed. He contended that they felt this was a fair process of full disclosure and hoped the entire membership viewed it as good policy for new and used cars businesses.

SENATOR HOLDEN characterized the amount of regulation placed on the insurance industry, car rebuilders and salvage yards as incredible when this law had gone into affect. He thought passage of HB 204 would make more paperwork for businesses and asked for an explanation of the workload created for the working man to keep in compliance with the addition of line 29. **Dean Roberts** replied nothing more than now and attested that vehicles were presently tracked. He articulated the only trigger to the legislation as insurance companies and reiterated that it only applied to cars less than five years old. He stated that they knew when a vehicle was totaled whether it was owner retained or possessed by an insurance company. He reported 2618 totalled vehicles in 1994 and only 300 of those as having been rebuilt for road use. **Mr. Roberts** defined HB 204 as doing nothing more than was presently being done except branding the title as rebuilt salvage which provided the ability for consumer awareness.

SENATOR CHARLES "CHUCK" SWYSGOOD asked how this pertained to wrecked trucks which had been repaired with a glider kit and salvaged parts from the wrecked truck? He said he was not aware of any current stamp on those titles and assumed HB 204 would require them to state salvage. **Dean Roberts** said that if the title was not required to state "salvage" now, this Bill would not require it either. He explained that if it was still considered a kit vehicle it would probably be called a kit vehicle at that point in time. He stated that HB 204 would not affect that relationship of what was being done currently.

SENATOR MACK COLE asked for clarification that the Bill's only function was replacing a little "R" with "rebuilt salvage" on the title? **Dean Roberts** affirmed that he was correct.

SENATOR COLE asked if everything else stayed the same? **Dean Roberts** answered yes, it was the same.

SENATOR LINDA NELSON asked if the sponsor would like to explain his remarks about difficulties with the Bill as it had not been amended or anything? **REPRESENTATIVE TROPILA** remarked that presentation of the Bill to the House Highways and Transportation Committee had resulted in an excessive amount of amendments from the salvage people. He stated that even though the Bill only proposed changing three words the House struck one word as it would not fit the computer input space. He held up about forty pages of material which he reported as proposed amendments in the House. He said his only intent had been to let the consumer know they were buying a rebuilt salvage vehicle, which had been totalled by an insurance company.

Closing by Sponsor:

REPRESENTATIVE TROPILA thanked the Committee for a good hearing, and stated that he closed.

HEARING ON HB 294

Opening Statement by Sponsor:

REPRESENTATIVE KARL OHS, HD 33, Harrison, said HB 294 was a simple, straight-forward bill which raised the fine for passing in a no-passing zone. He stated the current fine was a minimum of \$10 and a maximum of \$100, and expressed feeling the limits were too low. He maintained that the dangers presented by violating the no-passing zone regulations were very serious. He said the Bill had evolved because of recent infractions of the law, which had cost lives. He stated the small, winding, hilly highways most frequently were the ones which created a no-passing zone hazard. He attested that no-passing zone violations on that type of highway were extremely dangerous, and needed to be addressed by raising the fine.

REPRESENTATIVE OHS said HB 294 had been amended in the House to a minimum fine of \$50. He reported that he would leave the decision regarding the amount to the Committee, and asked them to keep the fine consistent with others.

Proponents' Testimony:

Clarence Brazil, representing himself, Polson, said he became involved in the Legislation when the Lake County Leader Editor wrote an editorial stating that people driving Highway 93 became impatient, unlawfully passed, and killed people, because of slow drivers. He reported having been disgusted with the editorial because he frequently drove Highway 93, at the speed limit, and was passed often. He stated he had written a reply to the editorial, and read it to the Committee. He maintained, in the letter, there should be a law depicting passing in a no-passing zone as "deliberate endangerment of life". He reported that after his letter appeared in the paper he had numerous calls from private citizens, several law enforcement officers, and Judge Chuck Woodson of Polson, who requested to speak with him. **Mr. Brazil** said the Judge felt his hands were tied because the average fines rendered by judges were not consistent with the danger these violators posed. He maintained the Judge had asked him to contact the Governor, and others, to see if something could be done. **Mr. Brazil** explained that his contact with the Governor had resulted in a series of meetings, before finally deciding to propose legislation which would penalize violators enough to discourage the offense.

Mr. Brazil stated he was disappointed that the House amended the Bill to reduce the \$100 fine to \$50. He reported the desire to see no-passing zone violators pay the same fine as drunk drivers, but he would at least like to see the fine restored to \$100.

Colonel Craig Reap, Montana Highway Patrol (MHP), said the MHP supported the Bill in its original form, with a \$100 fine. He stated the current fine was \$65 in their bond schedule. He reported the MHP's willingness to support any increase in fine the Committee chose to adopt. He said that 61-8-711 was the penalty Section for any violation in Chapter 8, which did not have its own penalty, and a first offense only required a minimum fine of \$10 fine. He stated the fine could rise for multiple offenses, but there was no connection between the Judges which would reveal a cumulative fine for sentencing purposes. He urged the Committee's support, as he felt that if the fine were higher it would have more impact, and hopefully present a deterrent.

SENATOR ETHEL HARDING, SD 37, said she lived on Highway 93 and supported HB 294 because a majority of the east shore road was a slower traffic road, marked with a double line. She explained that the road was so marked, because of the numerous curves, hills, and limited vision. She expressed the feeling that a more substantial fine for passing in a no-passing zone could be a valuable deterrent to encourage traffic to be slowed. She urged passage of the Bill.

Opponents' Testimony:

None

Questions From Committee Members and Responses:

SENATOR LINDA NELSON asked if Colonel Reap had testified that these violators posted bond for \$65? Colonel Reap said yes, \$65 was the amount stated in their bond schedule. He said the probable reason for that amount was that the fine was consistent with other violations of the same type.

SENATOR GREG JERGESON asked what was required to change the bond schedule? Colonel Reap stated it would only require notifying the officers to make the change in the bond schedule.

SENATOR JERGESON stated that if the Committee made the change to \$100, then the MHP would obviously want the bond to be higher than the lowest fine, to prevent forfeiture of the bonds. He asked if the could simply change the bond schedule, to accommodate any changes made to the legislation? Colonel Reap said there was a committee which met to compile the bond schedule, and he imagined committee members would have to be notified.

SENATOR CHUCK SWYSGOOD asked if the sponsor would object to amending the Bill to be effective on passage and approval, and asked if that had been discussed in the House? REPRESENTATIVE OHS said it had not been discussed, and stated that if the MHP could manage the needed changes in the bond schedule, he thought the sooner the Bill became effective the better it would be.

Closing by Sponsor:

REPRESENTATIVE OHS stated there was a fiscal note, which indicated generation of a little revenue for both state and local government. He maintained that passage of HB 294 was well needed and reported being pleased with SENATOR SWYSGOOD'S suggestion for an immediate effective date.

HEARING ON SB 390

Opening Statement by Sponsor:

SENATOR GREG JERGESON, SD 46, Chinook, said the Drivers License Station Program and the Department of Justice (DOJ) had seen substantial budget cuts during the last two Legislative Sessions. He stated that as a result the Department of Justice had been instructed to analyze the system for licensing drivers in Montana, and to make recommendations for changes in efficiencies and the delivery of services, to be presented this Legislative

Session. He reported having served on the review task force regarding those recommendations, and SB 390 was one of those proposals. He explained that proposing an eight-year drivers licenses, as opposed to the current four-year licenses was a major recommendation of the task force. He said that multiple licensure required up-front payment for the entire time period and the proposed period of increase raised the cost per license from \$16 to \$32. He stated that public perception of \$32 for a license bore some problems, because they didn't automatically translate the cost to a eight-year period. He said the task force had decided acceptance of the proposal, by Montana Drivers, would be more likely if the drivers license examination fee was reduced from \$32 to the \$24 found in the first portion of the Bill. He stated the second part of the Bill dealt with the reduction of some motor vehicle registration fees. He reported that the primary purpose of the Bill was to reduce the drivers license fees from \$32 to \$24. He said that once the Bill encountered complications, due to the contingent voidance clause rule, it was decided to strike the reduction in the motor vehicle registration fees.

SENATOR JERGESON presented amendments which would essentially strike Sections 1 and 2 of SB 390. He said the amendments coordinated SB 390 with HB 248, which included the eight-year drivers license, and coordinated SB 83, which had already passed the Senate. **(EXHIBIT # 1)** He said the primary reason for changing to an eight-year licensing period was to reduce the lines and inconveniences encountered when drivers renewed their licenses. He stated that the drivers license program work force would be better utilized by only having to deal with drivers half as often.

Proponents' Testimony:

Attorney General Joe Mazurek, said he thought **SENATOR JERGESON** had explained the Bill very well. He reported having been frustrated when the public perceived that various services were cut back while fees went up. He said the Motor Vehicle Division raised about \$15-million in fees and spent about \$6-million. He said that after completing the study process, the eight-year driver license, and other proposals yet to be presented, had been developed to help cut fees. He said the task force had thought the responsible approach would be to appear before the Legislature with the concept that various fees could be reduced. However, with the Executive Budget fairly well set, based on current revenues, and the contingent voidance rule in effect there wasn't an opportunity for any changes other than reduction of the drivers license fee to \$24 for eight years.

Attorney General Mazurek stated the \$24 fee for an eight-year license would be somewhat easier for drivers license examiners to explain than \$32 would be. He stated that passage of SB 390 was

contingent to passage of HB 248. He appreciated consideration of the Bill.

Brenda Nordlund, appearing on behalf of the Department of Justice, passed out the fiscal note for HB 248 and stated that the eight-year drivers license bill created a windfall to the general fund of \$1.6-million per year, each year, for the current level. **(EXHIBIT # 2)** She said the windfall was created because for the next four years every other person would receive an eight-year license, and the ultimate person would receive a four-year license. She stated that was a 50% increase in revenues for those four years. She said that on the fifth year everyone would be on the eight-year cycle and there would be a 50% drop in the number of licenses processed, and revenues would drop accordingly. She stated that as the context to be remembered when addressing the \$4 to \$3 drivers license fee, because if the drivers license fee was not reduced, on an annual basis from \$4 to \$3, the general fund would receive that amount of money as a result of HB 248.

Ms. Nordlund said the amendments struck Sections 1 and 2 in their entirety. She said Section 3 was unchanged in the amendments. She said the first fee Section would be inserted on Page 5, and that would amend Section 61-5-121 to provide a percentage distribution of drivers license fees to maintain current level for those programs that were earmarked to drivers license fees. She stated those programs were; Montana Highway Patrol Retirement, County General Funds, and State Traffic Education. She said the caveat was that SB 83 also had to be coordinated with SB 390 and HB 248. She said the context of SB 83, which was the de-earmarking bill which had passed the Senate, reflected an amendment to 61-5-121. She said the amendment to SB 83 balanced the funding for State Traffic Education by increasing the percentage from drivers license fee receipts. She said the Bills must be coordinated to maintain the desired current level of funding for the State Traffic Education Program. She said amendment 3 would deal with the first four years of HB 248 and implementation.

Ms. Nordlund described Section 4, page 5, of SB 390, as the pop-up section; as in the fifth year when drivers license revenue receipts dropped, then the percentages in Section 4 were the percentages necessary to maintain revenue neutrality for the same three special revenue and county general fund accounts. She reported this as the intent of SB 390, and stated it would supersede amendments to 61-5-121 in both HB 248 and SB 83. She said the effective dates were necessary because the revenue changed five years hence, and maintenance of revenue neutrality of these programs was desired through the duration of the change.

Opponents' Testimony:

None

Questions From Committee Members and Responses:

SENATOR SWYSGOOD said there had been a previous session bill increasing fees on over-weight vehicles and about \$3-million was sent to the DOJ Motor Vehicle Division, from the Montana Department of Transportation (MDT). He asked if it was correct that the \$3-million was used to replace General Fund, which was currently funding the Motor Vehicle Division? **Dean Roberts, Motor Vehicle Division**, stated that was correct.

SENATOR SWYSGOOD stated that earlier testimony on SB 390 had reported generation of \$15-million in fees and expenditure of \$6-million. He asked if the DOJ's current budget still reflected that \$3-million? **Dean Roberts** stated the Governor's Budget proposed to put the DOJ back on General Fund and the \$3-million would be returned to gas tax money.

SENATOR MOHL stated an understanding that the proposal had failed, and for the next fiscal year the DOJ and the Montana Highway Patrol would be receiving highway funds from the MDT, even though the MDT had lost \$5-million from the coal severance tax. He reported that the MDT would have to produce approximately \$12-million for this support. **Dean Roberts** said Legislation was presently in place, in this biennium, for the DOJ Motor Vehicle Division to be funded from gas tax money. He said that in HB 2, which was presently being worked on, the Motor Vehicle Division was scheduled to be funded with General Fund Money in the next biennium. He stated he could not tell what the outcome of HB 2 would be.

SENATOR SWYSGOOD asked if the State would encounter a problem with the federal government, when adopting an eight-year commercial drivers license? **Dean Roberts** said there was not a problem.

SENATOR SWYSGOOD asked why the fee was higher for an inter-state license than a regular drivers license, or an in-state chauffeurs license? **Dean Roberts** said it was higher because the Motor Vehicle Division had to do a more extensive background check on commercial drivers. He said commercial drivers paid nearly double fees, even though the fee structures in SB 390 lowered both the base, and the commercial portion of licenses.

SENATOR MOHL asked if a problem was going to be created by issuing eight-year licenses to elderly drivers? **Attorney General Mazurek** said the Bill addressed that issue, as it required people to renew at several times during course of their lives. He said that if an initial license was issued at sixteen, they would have to return at twenty-one, and ultimately, again at seventy-five. He said that if someone renewed their license at seventy-four,

they would be required to return at seventy-five, and every four years thereafter. He said that family members or law enforcement officers could also request retesting when driver abilities were in question. He said that language structure was in HB 248.

SENATOR JABS asked if the \$24 fee would create a hardship for low-income individuals? **Attorney General Mazurek** said he suspected the fee could create difficulties, but it was reasonable in the aspect that it covered eight years, and amounted to \$3 a year.

SENATOR COLE asked if it had been stated that an individual had to be retested every four years, after their seventy-fifth birthday? **Attorney General Mazurek** said that drivers examiners currently tested the individuals eyes, but they also evaluated the individual as their need for additional testing, or a driving test.

SENATOR COLE asked if, at that point, it was every four years no matter how long a person was licensed for? He also asked if the license would be revoked if requirements weren't met? **Attorney General Mazurek** stated yes to both queries.

SENATOR SWYSGOOD asked, in reference to the fiscal note for HB 248, EXHIBIT # 2, if General Fund would realize about \$3.2-million if the current law rate structure remained in place? **Brenda Nordlund** stated yes.

SENATOR SWYSGOOD asked if SB 390 would become, with the amendments in EXHIBIT # 3 adopted, revenue neutral? **Brenda Nordlund** said SB 390 would be revenue neutral to all of the special revenue accounts involved, however there was still a slight increase. She stated a revised fiscal note would have to be requested, once the amendments were in place. She said the total drivers license revenues with SB 390 in place would show a slight General Fund decrease. She said the first year was estimated at a \$156,000 decrease and the second, third and fourth year would each decrease by about \$209,000. **Ms. Nordlund** explained the reason for the decrease as due to the effective dates of October 1, 1995 for SB 390 and HB 248, which resulted in the loss of a quarter of the first year revenue of the biennium.

SENATOR SWYSGOOD said Section 6 had an effective date of July 1, 1995, and asked how that fit into the process of the Bill? **Ms. Nordlund** stated that effective date was changed by the amendments.

SENATOR SWYSGOOD asked for clarification that SB 390 would, as it related to revenue, slightly increase or decrease General Fund revenue in four years. **Ms. Nordlund** said decrease.

Closing by Sponsor:

SENATOR JERGESON suggested that once he closed the Committee should adopt the amendments, so that he could request the revised fiscal note for availability during executive action on the Bill. He stated the contingent voidance clause in the rules did not have to be placed upon a bill which effected revenue downward. He said he thought the rule would have been applied with the original projections based on a \$32 drivers license fee. He reported this as the basis for not signing the original fiscal note. He expressed the fact that the drivers license fees actually generated more than the cost of the Program and felt it reasonable to state the slight decrease could some way be absorbed in the budget.

CHAIRMAN TVEIT announced the Hearing on SB 390 as closed and affirmed adoption of the amendments was needed before the revised fiscal note could be requested.

Motion/Vote:

SENATOR JERGESON MOVED TO AMEND SB 390 WITH THE AMENDMENTS CONTAINED IN EXHIBIT #1 (NUMBERED sb039001.avl). THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 294

Motion/Vote:

SENATOR SWYSGOOD'S MOTION TO AMEND HB 294 TO HAVE AN IMMEDIATE EFFECTIVE DATE CARRIED UNANIMOUSLY.

Motion:

SENATOR JABS MOVED TO AMEND HB 294 TO HAVE A \$100 MINIMUM FINE.

Discussion:

SENATOR HOLDEN said that at times people did make honest mistakes, and for that reason he rose in resistance to the amendment.

SENATOR NELSON stated she agreed with SENATOR HOLDEN, because law enforcement had the option of utilizing a \$500 fine. She too, spoke on behalf of eastern Montana which had miles of open space and the ability to see further. She said that such an ability to see long distances while driving, tended to catch motorist by surprise when they came upon a double line. She said that motorists did err, and got fined, but did not feel the need for excessive fines for honest errors was necessary when visibility was actually very good.

SENATOR MOHL said he opposed the amendment because, under different road conditions and seasons of the year, 90% of the stripes on the roadways were not visible. He said visibility of the stripes may be intermittent and a driver could honestly think he was beyond a no-passing zone and still pass in error, because of stripes which were not visible.

SENATOR SWYSGOOD said it concerned him to raise the fine that high, especially in the wintertime when snow-covered roads prevented stripe identification, and questioned how those road conditions could be taken into consideration. He stated the thought that there was enough latitude in the no-passing zone fine structure make most drivers aware of the consequences. He further stated the thought that if violation was as blatant as some had testified, the stiffer penalty of a reckless driving fine could be applied. He said that for those reasons he was going to oppose **SENATOR JAB'S** motion.

SENATOR SWYSGOOD said he thought the judges who levied the fines may need some education as to their need to take responsibility for levying heavier fines whenever disregard for the no-passing zone violation was evident. He said that by utilizing the stiffer portion of the fine variance much could be done to discourage no-passing zone violations.

SENATOR JERGESON stated that a stiff basic rule violation should be imposed against those who passed on snow-covered and icy roads, when no-passing zone stripes could be covered. **SENATOR SWYSGOOD** said that may not be true when a slow-moving, loaded vehicle was obstructing traffic, and a motorist passed just before buried, no-passing stripes had ended. He said that fifteen mile-per-hour traffic sometimes created unavoidable situations, especially if someone entered the roadway right in front of an vehicle in motion, and it was impossible to stop.

CHAIRMAN TVEIT explained language in the Bill as stating a 2nd offense would be a \$25-fine, the 3rd offense would be \$50 and asked if the fine would have to correlate? **Valencia Lane** said current law within Title 61, Chapter 8, provided for a fine of \$10-\$100-fine for a 1st offense, the 2nd offense was \$25-\$200, and the 3rd offense was \$50-\$500. She said this statute applied to all of the Title 61, Chapter 8 traffic violations, unless there was a specific provision setting forth a penalty. She said passage of HB 294 would do just that, it created a specific penalty for passing in a no-passing zone, and the penalty would be \$50-\$500.

CHAIRMAN TVEIT asked for clarification that the \$50-\$500 fine would be the ration the judges were utilizing? **Ms. Lane** answered that was correct.

SENATOR SWYSGOOD as if the six month imprisonment was in addition to what was customary in this type of traffic violation? **Ms. Lane** stated that under current law, a 1st offense included \$10-

\$100-fine, or by imprisonment for not more than 10-days; the 2nd offense was \$25-\$200, or by imprisonment for not more than 20-days, or by both; and the 3rd and subsequent offenses was \$50-\$500 or by imprisonment for not less than six months. She said that with HB 294 the six months could be applied as early as the first offense.

Vote:

SENATOR JABS' MOTION TO AMEND HB 294 TO HAVE A \$100 MINIMUM FINE FAILED ON ROLL CALL VOTE #1.

SENATORS TVEIT, JERGESON AND JABS VOTED YES.

SENATORS SWYSGOOD, HOLDEN, NELSON, COLE, AND MOLE VOTING NO.

Motion/Vote:

SENATOR NELSON'S MOTION THAT HB 294 BE CONCURRED IN AS AMENDED CARRIED.

EXECUTIVE ACTION ON HB 204

Motion:

SENATOR JERGESON MOVED HB 204 BE CONCURRED IN.

Discussion:

SENATOR HOLDEN said he was going to vote for the Bill, but was concerned about the long-range affect of additional bureaucracy, by passing Bills which required more encumberment to the process and to the documents affected.

SENATOR JERGESON said there was a lot of bureaucracy involved within the titling process, but part of the reason was to protect consumers and process those who had no regard for the law.

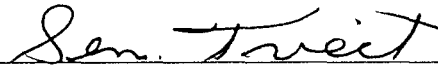
THE QUESTION WAS CALLED FOR.

Vote:

SENATOR JERGESON'S MOTION THAT HB 204 BE CONCURRED IN CARRIED.

ADJOURNMENT

Adjournment: The meeting was adjourned at 4:30 p.m.



SENATOR LARRY TVEIT, Chairman



CARLA TURK, Secretary

LJT/cmt

DATE 3/2/95

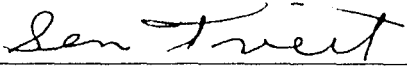
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SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 3, 1995

MR. PRESIDENT:

We, your committee on Highways and Transportation having had under consideration HB 294 (third reading copy -- blue), respectfully report that HB 294 be amended as follows and as so amended be concurred in.

Signed: 
Senator Larry Tveit, Chair

That such amendments read:

1. Title, line 5.

Following: "ZONE"

Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 1, line 16.

Insert: "NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval."

-END-


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Amd. Coord.
Sec. of Senate


Senator Carrying Bill

501141SC.SPV

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 3, 1995

MR. PRESIDENT:

We, your committee on Highways and Transportation having had under consideration HB 204 (third reading copy -- blue), respectfully report that HB 204 be concurred in.

Signed: Sen. Tveit
Senator Larry Tveit, Chair

PV
SA

Amd. Coord.
Sec. of Senate

Senator Christensen
Senator Carrying Bill

501146SC.SPV

DATE 3/2/95 BILL NO. HB 294 NUMBER #1
MOTION: Senator Gabs Moved To Amend
HB 294 To Have A \$100 - Minimum Fine

SEN:1995
wp:rlclvote.man
CS-11

AMENDMENTS TO SENATE BILL NO. 390
First Reading Copy

For Senator Greg Jergesen

Prepared by Brenda Nordlund, Department of Justice

March 1, 1995

1. Title, lines 5-7

Following: "LICENSES" on line 5

Strike: ", "

Insert: "AND"

Following: "LICENSES" on line 6

Strike: "AND REGISTRATION OF MOTOR VEHICLES"

Following: "SECTIONS"

Strike: "61-3-321, 63-3-325,"

Following: "61-5-111"

Strike: ", "

Following: "PROVIDING"

Strike: "AN" and "DATE"

Insert: "DATES AND A TERMINATION DATE."

2. Page 1, lines 11 through page 3, line 8.

Strike: sections 1 and 2 in their entirety

Renumber: subsequent sections.

3. Page 5, line 13.

Insert: "Section 2. Section 61-5-121, MCA, is amended to read:

"61-5-121. **Disposition of fees.** (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial driver's licenses provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:

(a) The amount of ~~25%~~ 22.25% of each driver's license fee and 25% of each duplicate driver's license fee must be deposited into an account in the state special revenue fund. The department shall transfer the funds from this account to the Montana highway patrol officers' retirement pension trust fund as provided in 19-6-404.

(b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of ~~3.75%~~ 3.33% of each driver's license fee and 3.75% of each duplicate driver's license fee must be deposited into the county general fund.

(ii) If the fees are collected by the department, the amount provided for in subsection (1)(b)(i) must be deposited into the general fund.

(c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of ~~5%~~ 3.34% of each motorcycle endorsement must be deposited into the county general fund.

(ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must be deposited into the general fund.

(d) The amount of ~~8.75%~~ 27.25% of each driver's license fee and 8.75% of each duplicate driver's license fee must be deposited into the state traffic education account.

(e) In addition to the amounts deposited pursuant to subsections (1)(b)(ii) and (1)(c)(ii), the amount of ~~62.5%~~ 47.17% of each driver's license fee and 62.5% of each duplicate driver's license fee must be deposited into the state general fund.

(f) If the fee is collected by the county treasurer or other agent of the department, the amount of ~~3.75%~~ 3.13% of each commercial driver's license fee must be deposited into the county general fund, otherwise all of the fee must be deposited in the state general fund.

(g) The amount of ~~95%~~ 63.46% of each motorcycle endorsement fee must be deposited into the state traffic education account in the state special revenue fund, and the amount of 33.2% of each motorcycle endorsement fee must be deposited into the state general fund.

(2) (a) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses are collected by a county treasurer or other agent of the department, the county treasurer or agent shall deposit the amounts provided for in subsections (1)(b)(i) and (1)(c)(i) into the county general fund. The county treasurer or agent shall then remit to the state treasurer all remaining fees, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a) and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a) and (1)(d) through (1)(g).

(b) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the state treasurer, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a), the state special revenue fund, and the state general fund. The state treasurer, upon

receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), (1)(b)(ii), (1)(c)(ii), and (1)(d) through (1)(g)."

Renumber: subsequent sections

4. Page 6, line 1.

Following: "~~8.75%~~"

Strike: "11.67%"

Insert: "40.88%"

5. Page 6, line 4.

Following: "~~62.5%~~"

Strike: "50%"

Insert: "20.79%"

6. Page 6, line 26 and 28

Following: "**instruction.**"

Insert: "(a)"

Following: "then" on line 28

Strike: "[sections 3 and 4 of this act] are"

Insert: "this act is"

Following: "void."

Insert: "(b) If HB 248 is passed and approved and if it includes one or more sections that amend 61-5-121, either temporarily or permanently, then those sections are void and are superceded by [sections 2 and 3 of this act]."

(c) If SB 83 is passed and approved and if it includes a section that amends 61-5-121, then that section is void and is superceded by [sections 2 and 3 of this act]."

7. Page 6, line 30.

Strike: section 6 in its entirety

Insert: "Section 6. Effective dates. [Sections 1 and 2] and this section of this act are effective on October 1, 1995. [Section 3] of this act is effective on October 1, 1999."

8. Page 6, line 30.

Insert: "Section 7. Termination date. [Section 2] of this act terminates on September 30, 1999."

STATE OF MONTANA - FISCAL NOTE


FISCAL NO. 2Fiscal Note for HB0248, as introducedDATE 3/2/95BILL NO. SB 390DESCRIPTION OF PROPOSED LEGISLATION:


A bill generally revising laws pertaining to driver licensing and examination; creating a cooperative driver testing program in conjunction with a state-approved high school traffic education course; extending the term of a driver's license in certain circumstances; providing for electronic transfer of driving records; adjusting the disposition of license fees.

ASSUMPTIONS:Department of Justice:

1. (a) In FY96, 50 of the schools expressing an interest in the cooperative driver testing program will participate in the program and in FY97, 70 schools will participate.
(b) About 6,000 (12,000 x 50%) of the total number of students participating annually in the driver education program will participate in this cooperative driver testing program in FY96 and 8,400 students (12,000 x 70%) in FY97.
(c) The same percentage of waivers issued during the pilot cooperative driver testing program will apply during FY96 and FY97. Therefore, in FY96, 5,880 (6,000 x 98%) knowledge tests will be waived through this program and in FY97, 8,230 (8,400 x 98%). In FY96 about 1,080 (6,000 x 20% less 10% sampling tested) driving skills tests will be waived through this program and in FY97 about 1,512 driving skills tests will be waived (8,400 x 20% less 10% sampling tested).
2. Staff hours currently devoted to testing and available for reassignment after implementation of the cooperative driver testing program established by HB248 (estimated to be 546 hours (0.26 FTE) in FY96 and 771 hours (0.37 FTE) in FY97 will be reassigned to provide service to the public to reduce waiting lines and to perform other duties. This will help the department to continue providing service to the public with the present law base FTE.
3. During the four-year staggered implementation phase of the conversion to eight-year driver licenses, 50% of the driver licenses issued will be four-year licenses and 50% will be eight-year licenses.
4. The percentage of driver licenses issued to individuals under the age of 21 and over the age of 75 will remain constant and the increasing population between the ages of 21 and 75 will offset any fiscal impact of HB248 on the under-21 and over-75 population.
5. Allocation percentages for the driver license fees have been adjusted so that the additional revenue from the transition to eight-year licenses will increase general fund revenue by about \$1.64 million annually during the eight-year phase-in period (\$3.28 million x 50%). The total revenues earmarked for the state special revenue accounts will remain approximately the same as under present law.

(Continued)

 1.24.95
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 1/25/94
ERNEST BERGSAGEL, PRIMARY SPONSOR DATE

Fiscal Note for HB0248, as introduced**HB 248**

ASSUMPTIONS:

Office of Public Instruction:

6. Under present law, the state traffic education account receives 8.75% of each driver's license fee and of each duplicate driver's license fee. The changes in the renewal cycle and the reallocation of revenues proposed in HB248 will provide the same amount of revenue to the state traffic education account from driver's license fees and motorcycle endorsements in each year of the 1997 biennium as the revenue estimated under present law.

FISCAL IMPACT:

Revenues:

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
General Fund (01)	1,630,000	1,640,000

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The changes in the renewal cycle and the reallocation of revenues proposed in HB248 will provide the same amount of revenue to county general funds from driver's license fees and motorcycle endorsements in each year of the 1997 biennium as the revenue estimated under present law.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The annual increase in revenue due to a longer license period should be realized during the eight year implementation period until all present licenses are converted. Beginning in fiscal year 2004, except for adjustments for growth or decline in the number of active driver licenses, general fund revenue should decrease to a level approximating the 1997 biennium present law estimates. Revenue to the state special revenue accounts should decrease below 1997 biennium present law estimates because of the decrease in the applicable percentage rates.

Amendments to Senate Bill No. 390
First Reading Copy (white)

6
advised
2/2

Requested by Senator Jergeson
For the Committee on Highways and Transportation

Prepared by Valencia Lane
(originally prepared by Brenda Nordlund of DOJ)
March 2, 1995

1. Title, line 5.
Following: "LICENSES"
Strike: ", "
Insert: "AND"

2. Title, line 6.
Following: "LICENSES"
Strike: ", AND REGISTRATION OF MOTOR VEHICLES"
Following: "SECTIONS"
Strike: "61-3-321,"

3. Title, line 7.
Strike: "63-3-325,"
Following: "61-5-111"
Strike: ", "
Following: "PROVIDING"
Strike: "AN"
Following: "EFFECTIVE"
Strike: "DATE"
Insert: "DATES AND A TERMINATION DATE"

4. Page 1, line 11 through page 3, line 8.
Strike: sections 1 and 2 in their entirety
Renumber: subsequent sections

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(b) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the state treasurer, together with a statement indicating what portion of each fee is to be deposited into the account in the state special revenue fund as provided in subsection (1)(a), the state special revenue fund, and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in subsections (1)(a), (1)(b)(ii), (1)(c)(ii), and (1)(d) through (1)(g)."

Renumber: subsequent sections

6. Page 6, line 1.

Following: "~~8.75%~~"

Strike: "11.67%"

Insert: "40.88%"

7. Page 6, line 4.

Following: "~~62.5%~~"

Strike: "50%"

Insert: "20.79%"

8. Page 6, line 26.

Following: "**instruction.**"

Insert: "(1)"

9. Page 6, line 28.

Following: "["

Strike: "sections 3 and 4 of"

Following: "act]"

Strike: "are"

Insert: "is"

10. Page 6, line 29.

Insert: "(2) If House Bill No. 248 is passed and approved and if it includes one or more sections that amend 61-5-121, either temporarily or permanently, then those sections are void and are superseded by [sections 2 and 3 of this act].

(3) If Senate Bill No. 83 is passed and approved and if it includes a section that amends 61-5-121, then that section is void and is superseded by [sections 2 and 3 of this act]."

11. Page 6, line 30.

Strike: "date"

Insert: "dates"

Strike: "[This act] is"

Insert: "(1) [Sections 1, 2, 4, and 6] and this section are"

Following: "effective"

Strike: "July "

Insert: "October"

12. Page 6, line 31.

Following: line 30

Insert: "(2) [Section 3] is effective October 1, 1999.

NEW SECTION. **Section 6. Termination.** [Section 2]
terminates September 30, 1999."

DATE Thurs - 3-2-95

SENATE COMMITTEE ON Highways

BILLS BEING HEARD TODAY: HB 204, HB 294, HB 390

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
CLARENCE BRAZIL	SELF	294	X	
Dean Roberts	DOT MVD	204 390	X X	
Chary Reap	MHP	294	X	
Steve Turkiewicz	Mt. Auto Dealers Assn	204	X	
Joe Mazurk	DOT	390	X	
Brenda Nordlund	DOT	390	X	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY