

MINUTES

MONTANA SENATE  
54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By CHAIRMAN TOM BECK, on March 28, 1995, at 8:00  
a.m.

ROLL CALL

Members Present:

Sen. Thomas A. "Tom" Beck, Chairman (R)  
Sen. Ethel M. Harding, Vice Chairman (R)  
Sen. Sharon Estrada (R)  
Sen. Delwyn Gage (R)  
Sen. Don Hargrove (R)  
Sen. Dorothy Eck (D)  
Sen. John "J.D." Lynch (D)  
Sen. Jeff Weldon (D)

Members Excused: Sen. Sharon Estrada

Members Absent: none

Staff Present: Susan Fox, Legislative Council  
Elaine Johnston, Committee Secretary

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

Committee Business Summary:

Hearing: HB 605  
Executive Action: HB 605

{Tape: 1; Side: A; Approx. Counter: ; Comments: .}

HEARING ON HB 605

Opening Statement by Sponsor:

REP. ED GRADY, HD 55, Helena, presented HB 605 which is a committee bill from the House Appropriations Committee. Most of the funding for the junk vehicle program has been cut out of HB 2 so this bill would allow for privatization of the program. The bill is fairly simple and the county was not mandated to do anything but license the junk yards and they can charge a fee for the license. Through out the bill, the word "may" is used therefor to allow for options by the counties. There is concern

about the money for licensing the yards but had been covered in the license fee before and will be covered by the existing fee that can be charged. Testimony will be presented where people will suggest it will cost up to \$5,000 to license a yard. Costs of this amount have not been found anywhere to confirm these inflated figures. There is a lot of money in the price of these junk vehicles and the private sector has been missing out. The private sector can strip these vehicles and sell the parts before being sold. Counties are not able to do this and a lot of money is being wasted. Within 30 days, the governing body of the county may conduct a hearing but they do not have to. Being able to operate there is a time difference because the money was striped as of July 1, 1995 and will not phase out until January 1, 1996. The fees will still be put on the registration and the fees have been eliminated. The only income counties will be able to receive at the present time is the income from licensing and the income from the vehicles if they decide to run a program on their own. Statistics show that there is enough income to pay for the counties to run their own program. The state made money on the program and have taken funds from the program in the past. This is not something that should be done.

#### Proponents' Testimony:

Henry Lohr, owner of Hank's Salvage and Towing, Townsend, testified that the private sector has and will take care of these junk vehicles. There is no problem with abandoned vehicles as he gathers all parts that can be used for metal. The counties have not been picking up all of these parts and many times he will get a call to pick up a vehicle. He has a current license for two yards in Broadwater County. Steel being at a good price he urged passage of HB 605.

Myrl Rose, who runs a salvage yards stated that he has always picked up these cars and urged passage of HB 605.

#### Opponents' Testimony:

Bob Gilbert, representing the MT Tow Truck Assoc. and the MT Automobile Dismantlers and Recyclers Assoc., stated that these are the two groups most effected by HB 605 and work with in the bill. A number of opponents are present who were not aware of the bill until notified. This was a sneak attack on the public in order to fund the ending fund balance of the Legislature. They do not mind taking the money away if it is excess but they do not want the program to be eliminated. This program is the best program in the United States. He stated that if the committee thinks the private sector will pick up these junk vehicles better than is happening now, you need to study the program and what is being talked about. Collectors items and up to date cars are not being talked about what is being talked about is junk that is only good for scrap iron. Under current law, through the life of a parts funded by 50 cents per registration and \$1.50 per title change through the life of an

automobile. Eventually, that car turns into a piece of junk and is picked up. Under HB 605, you will call a private dealer and try to sell him the junk car but they will not buy the car, instead they will charge \$60 to \$200 to come pick it up. Most people will not pay that amount so the car will just sit there and over the years will be joined by others. While these cars sit there, the transmission and engine seals start leaking, someone comes by, steals the radiator and antifreeze is running into the ground and now there are environmental problems. This program is about protecting the environment as well as getting the junk vehicles off the streets. As hard as private industry may try, people will have to pay out of their pockets. HB 605 is an unfunded mandate on counties as there is no method to fund a program. There are methods to license junk yards, so if you want to license a junk yard for \$10,000 and your county has been using two yards you could use that money but there is no real method to do that either. So we've told the counties the state does not want to do this anymore but thanks for the money and you can worry about the junk cars. Cities are even worse than counties as in the last 10 years, Billings turned in over 19,000 vehicles in the junk program and another 19,000 in abandoned vehicles. There is a problem and if you want to privatize, no problem. Over 70% of the hauling is contracted by counties to private haulers. All of the crushing is privatized as the state and counties do not own crushers. Since 1985, there have been 151,808 have been handled through the program not counting the abandoned cars. The funding source is appropriate and the program works well. Certainly there is some excess as there is cycles in cars being picked up and those that are not. The price of scrap is higher now than it has been but those are also cyclical. There is not money in junk cars like there is in salvageable cars. This is a program that works for the state.

**Milo Casagrande, Butte, President, MT Tow Truck Assoc.,** stated that about 23 years ago the junk vehicle program was implemented. In Silver Bow County he was one the first to start towing. Those days were different because they felt it was a good program. For the first two years, they would tow vehicles on weekends free of charge because junk cars were everywhere. There is another problem now with abandoned cars and 99% of the people who tow in Montana will not want to tow them because there is no money in abandoned cars. There is a difference between junk and abandoned cars. Some of the excess junk car money needs to be funneled into another program to take care of the abandoned cars. He has 63 abandoned cars in his own yard, but is fortunate that the sheriff in his area works with him. There is no fund to take care of abandoned cars and someone will have to take out the freon, oil, and grease out of them. If HB 605 passes, there will be more vehicles on the road because the people who tow of Montana will not be towing them after this time.

**Dan Powers, Environmental Health Director, Butte Silver Bow,** stated that since the program started, their local program has picked up over 10,000 junk vehicles and has helped clean up the

city and country sides. These numbers are indignant of many other counties which shows the program does work and is effective. If HB 605 is to pass, individual counties will be forced to raise fees if they choose to run a program. Any fee increase anymore are difficult in best implements. If counties cannot raise fees, unlicensed wrecking facilities will be appearing all over putting reputable facilities in a bad economic position not to mention the eye sores and public health hazards. He urged the committee kill the bill.

**Loretta Miller, Green Meadow Auto Salvage, Vice-President MT Auto Dismantlers and Recyclers Assoc,** presented her written testimony and a handout (EXHIBIT 1 & 2).

**Pete Frazier, Environmental Health Director, Cascade County,** presented his written testimony (EXHIBIT 3).

**Jim Johnston, Director Public Works, Butte Silver Bow,** opposed HB 605. There is already a private public partnership that works and the counties do not want anymore responsibility for funding. The Butte Silver Bow government is opposed to HB 605.

**Duane Olsen, Polson Auto Salvage,** stated that he contracts with the Lake County Junk Vehicle Program. He agrees with the program as he picks up approximately 200 to 250 cars a year for the program and over 150 of those cars are not worth keeping and go to the graveyard. If the program is eliminated that is 150 cars plus a year not going to the graveyard and will be out in open. He opposed the bill.

**Terry Murphy, Registered Sanitarian, Lake County,** presented his written testimony opposed to HB 605 (EXHIBIT 4).

**Mickie Nazer, Nazer and Son Towing, Anaconda,** presented his written testimony (EXHIBIT 5).

**Dan Allen, City Towing, Billings,** stated his concern that law enforcement will have to turn to its current rotation system that they have for accidents to facilitate matters involving junk vehicles. His business is not able to handle these vehicles nor are most towing operations. After several expenses in the past trying to license a facility it was to no avail. He spent \$15,000 on fencing and several thousand dollars on ground preparation and was turned down because it did not meet requirements. He urged the committee's opposition to HB 605.

**Richard Corrigan, Missoula County,** presented his written testimony (EXHIBIT 6).

**John Shontz, representing MT Assoc. Realtors,** stated that they generally tend to be the customers for the towing people. HB 605 is a bad bill as this is a good program that has done a lot. He strongly urged that abandoned vehicles be included in the junk vehicle program as abandoned vehicles have become a big problem

on the streets and highways. Realtors end up as managers of property and helping people arrange for disposal of junk and abandoned vehicles .

**Bob Robinson, Director, Department of Health and Environmental Sciences**, stated that in 1994 the junk vehicle program distributed approximately \$850,000 to local counties to run these programs. That money will not be available if HB 605 passes. Since 1976 when distributions first began, this program has distributed \$12.5 million to local governments to support the elimination of junk vehicles. HB 605 does not save a big bureaucracy, there are less than three FTE's in the program which includes everybody in the waste management division. This work takes place on the ground in the counties and is funded by the state which is the way a program should run if you are getting rid of an eye sore that has the potential public health problems. This program works and should be left alone. He also gave the committee a fact sheet (**EXHIBIT 7**).

**Karen Gunther, Jefferson County**, stated that they currently contract with the private sector for the hauling, storage, and crushing of junk vehicles. This is a successful program with a good track record and ask that it be left that way.

**Jack Brown, Brown's Towing, Missoula**, stated that he has contracted for 13 years and has hauled around 6,500 cars. About 650 of these cars came from Seely Lake which would be a bad looking place if all those cars were still there.

**Gordon Morris, Montana Association of Counties**, pointed out that there is a fiscal note with the bill and was written relative to the introduced version of the bill. Based on everything the committee has heard so far, there clearly is expense involved in a county to maintain a county administered junk vehicle program. The fiscal note says, "counties may have to enact a special mill levy to fund county junk vehicle programs as a result of complying with the Montana Vehicle Recycling and Disposal Act". If SB 421 which freezes property taxes at the 1994 levels, this would be impossible and the program would continue at the expense of other alternative or existing program funding. The bill jeopardizes Montana's compliance with the Montana Hazardous Waste Act and more important CIRCLA. This is a program to be proud of and continue. Continue to fund the program and the local level and take the excess money as has been done before they would not oppose that.

**Gloria Poladichuck, Richland County**, stated that when she served as Richland County Commissioner, this was one of the most cost effective programs they had. If there is excess revenues, the amount of fees could be cut allowing for a tax break for all Montanans. She urged the committee not to cut the program.

Jim Kembel, City of Billings, opposed HB 605 and also represented Charles Brooks of Yellowstone County who wished to oppose HB 605. He presented the committee with written testimony (EXHIBIT 8).

The following people opposed HB 605:

Bill Sparr, Missoula  
 Steve Moltzan, Great Falls  
 Charles Kellough, Ravalli County  
 Myran Mackey, Helena, Past President MT Tow Truck Assoc.  
 Bill Kelly, Walkerville  
 Joyce Richards, Butte  
 John Richards, Butte, Red Wrecker Service  
 John From, Butte  
 Del Thibaut, Yellowstone County  
 Ray Dietz, Billings  
 Curtis Johnson, A-1 Johnson Towing, Billings  
 Dan Curnow, Summit Valley Auto Wrecking, Butte  
 Jim Martin, I-90 Auto Towing, Butte  
 Sandy Curnow, Summit Valley Auto Wrecking, Butte

Questions From Committee Members and Responses:

SEN. J.D. LYNCH asked what money was taken out of the program.

REP. GRADY said the excess money sitting with the interest has been drawing from the general fund but he was not sure of the exact figure taken. There is around \$700,000 in the fund for the program and any fund balance \$765,000 as of 1995 \$500,000 out of it.

SEN. LYNCH asked the program even though you take the funding will want to pay for itself because of the fee structure? REP. GRADY said that every time the money is taken they build the pot back up pretty fast.

SEN. LYNCH asked who will pick up the worthless vehicles? Some of the vehicles are worth some money but who is going to pick up the \$14 job? REP. GRADY said that the people he talked to said they would pick them up and there is more money than just a shell as he understood there is up to \$200 in just a shell. If a person goes out to pick up one, they'll pick up two or three.

SEN. LYNCH asked Mr. Gilbert to explain how this works? The county gets a minimum of \$5,000? Mr. Gilbert said that was correct.

SEN. LYNCH said that obviously, his area would have more than \$5,000? Mr. Gilbert said that it is predicated on a minimum of \$5,000 regardless of the number of cars registered in the county and then it is \$1 per car.

SEN. LYNCH said that say a county gets \$30,000, who administers the money? Mr. Gilbert said the county commissioners assign who they want to handle the program.

**SEN. LYNCH** asked if the person in charge of the program finds the junk vehicle and call the wrecker and the wrecker gets paid a certain amount? **Mr. Gilbert** said normally, the county has their own vehicle or they contract with a tower so it is not spread out like the law enforcement rotation. 70% to 75% are private towers doing the work.

**SEN. LYNCH** asked what the average tow cost per vehicle? **Mr. Gilbert** said it runs on a bid basis and runs from \$25 to \$40 depending on the distance.

**SEN. LYNCH** asked to go on record as opposed to the bill as he was a former co-sponsor of the bill that created the junk vehicle program.

**SEN. DELWYN GAGE** asked if a person can be both a junk vehicle graveyard operator and a salvage vehicle operator? **Ms. Miller** answered that you could as the program currently allows for the county and the private individual to contract. When a person picks up the vehicle, they have the option of taking the vehicle to the graveyard or keep the vehicle.

**SEN. GAGE** asked if most yards are both salvage and graveyard? **Ms. Miller** said they are not.

**SEN. GAGE** asked if the counties could continue to set up a program and use the same mechanism the state uses to fund the program? **Mr. Frazier** said he did not believe they can because that is under the licensing statute for licensing your motor vehicle under the Department of Revenue. The statute says all that money goes to the state and then back to the counties. At this point there would be no funding mechanism for programs.

**SEN. GAGE** asked if that could be amended into HB 605? **REP. GRADY** said that it could be as the state can only set fees on registration.

**SEN. GAGE** asked if there is any bill before the current legislature that would allow for abandoned vehicles? **Mr. Gilbert** said it is not something they want done in this session but it needs to be looked at in the future.

**CHAIRMAN BECK** asked **Mr. Robinson** to explain what was taken out of the bill in the House, and if it was a surplus in the budget? **Mr. Robinson** said he did not know if you could call it a surplus but it was an ending fund balance. Obviously, the funds have built up because of the combination of the fees and higher steel prices. This has built up a couple of times and the time is probable right for a combination of the abandoned vehicles and the junk vehicles as a funding source. This fund has built up since the 1970's and there has been interest in taking off the excess.

**CHAIRMAN BECK** asked what the dollar amount taken out was? **Mr. Robinson** said it was about \$800,000 at the time when this was done there was \$750,000 in the fund balance right now they need to reimburse around \$35,000 to local governments.

**CHAIRMAN BECK** asked if they would distribute this money to the counties or is it going to be an ending fund balance? **Mr. Robinson** said it would be an ending fund balance because it will increase as fees come in from the registration of vehicles. What is paid back to the counties is a dollar per car registered.

**CHAIRMAN BECK** asked if the money was left as it is now and still had the program it would be status quo? **Mr. Robinson** said that was correct.

**SEN. LYNCH** asked how the state gets an increase when the price of steel goes up? **Mr. Robinson** said that the state contracts with the crushing and when the counties get an adequate volume of cars, the crusher will go out and crush the cars, gets them off site and reimburses the state for the steel.

**SEN. HARGROVE** asked if the 200 cars were enough to fill a box car? **Mr. Robinson** said that the 200 cars are an amount that is adequate for the pressure to make it economically viable for the crusher to come to a site.

**SEN. HARGROVE** asked where the cars are then transported? **Mr. Robinson** said the crusher sends them off to be recycled into another kind of steel some place else.

**SEN. HARGROVE** asked how the transportation is paid? **Mr. Robinson** said the crusher buys the box of steel and pays the state and it is the crushers responsibility.

**Closing by Sponsor:**

**REP. GRADY** said that the problem is that the process is moving fast and in when it came up on the House floor that the money was taken, the House Appropriations thought they could make this an optional program for the counties. The counties can still have a program but the state will not be involved. HB 605 is privatizing for the counties. Today, there was not enough time to talk to all the people to show that there is money to made in the program. **MICO** said to take the money, they did not care. People are paying there 50 cents and they want the cars picked up. Lewis and Clark county is not picking up the cars now and people have complained about the cars. The last audit done shows many complaints of the state and counties not doing the program right. The private sector can do the program but the state will not turn loose of any program and the counties won't turn loose the program. This session was to look at privatizing and get the government out of peoples hair and this is what the bill does. People probable do not understand this legislation because it has moved so fast but that happens in the final days of legislature.



This was a program to be looked at and it may take some more changes but it does not mandate anything. It did not touch the shielding of junk yards. He did not believe in all the checking that was done that a license will cost \$5,000 especially since they do not have to go through all the criteria that was required in the past. A cost of \$50 is more around the cost of a license. The money coming in from the vehicles as shown will pay for the program. The extra money is going to the general fund and that's what it's all about.

EXECUTIVE ACTION ON HB 605

Motion: SEN. LYNCH MOVED HB 605 BE TABLED.

Discussion:

SEN. LYNCH stated that he has been familiar with the program since 1973. He did not know where the complaints were coming from but the complaints before this program started were unreal. You cannot ask anyone to pick up a worthless piece of junk. Some may be worth something but some are so deep they should be picked up. To do away with the best program probably in the nation is foolishness. Maybe the fees are too high and should be cut because you should not be getting money from the public and stealing it to put in the general fund. The price of steel may stay up but there will be leverage. You can take the money but the counties only get the money if the demand is there. This program has proved itself and we should not do away with a program that is an example to the whole nation.

SEN. GAGE said that he would not support the bill unless a funding mechanism for the counties was put back in the bill. The program makes money and then the counties would be the winners. Instead of the general fund syphoning off the counties could use the money at the county level.

SEN. HARGROVE said that in his district, there are no complaints and quite a bit of applause for the program. The philosophy of moving government done is good but this program is one that works very well and would suggest that at a 50 cent level, lowering the price may not work and it might be easier to continue the way it is now.

SEN. ECK said that the idea of privatizing and having each county with their own program is not workable. Larger counties could develop the system and support the administration but small counties would have a hard time putting together and running a program like this. When this program started, there was a lot of excitement and enthusiasm that the county commissioners have worked on with state government. It has always worked wonderfully and funneling some of the excess into the general fund is not the worst thing. There are some miscellaneous state

costs that may be attributed to this. Right now, this bill needs to be tabled.

**SEN. HARDING** who was not able to hear all of the testimony stated that she did not understand the comment made to not eliminate the program but not finance it? **CHAIRMAN BECK** stated that the House has taken out some money that was a surplus in the junk vehicle program and placed it into the general fund. It does not hurt the program but what HB 605 does it to eliminate the collection fee. The people still want the program but even though the money has been taken out in the House, it does not need to be put back in to salvage the program.

**SEN. GAGE** commented that rather than cycling off this money to the general fund, an amount of the surplus could go to the counties based on how many junk vehicles they pick up.


**CHAIRMAN BECK** stated that he was surprised the money has not been funneled back to the people running the program.

**SEN. LYNCH** asked if the House also take out the future money for this program? **REP. GRADY** said only the surplus was taken out.

Vote: THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 9:15 a.m.

  
SEN. TOM BECK, Chairman

  
ELAINE JOHNSTON, Secretary

TB/ej

MONTANA SENATE  
1995 LEGISLATURE  
LOCAL GOVERNMENT COMMITTEE

ROLL CALL

DATE \_\_\_\_\_

3-28-95

[illegible]

SEN:1995  
wp.rollcall.man  
CS-09

Good morning. I strongly oppose House bill 605, dismantling the state junk vehicle program. Please don't take it away. This program establishes the standards for the county wrecking facilities and the privately owned salvage yards. By the annual inspection process, it keeps all the privately owned salvage yards and the county graveyards informed of and in compliance with all the new standards such as storm run-off protection, freon collection, handling and disposal of hazardous materials--waste oil, antifreeze, and batteries. The Department of Justice uses this program to enforce the collection of titles of vehicles no longer on the road in Montana. It also enables the counties to develop any type of program it sees fit for its particular area and provides the funds to continue the program. It has provided money to the general fund where there is a severe problem balancing the budget.

The junk vehicle program has been very effective over the last 23 years in cleaning up the junk vehicle problem that used to exist throughout the state. At one time there were nearly 200 cars pushed off the road and into the gulleys around the Patty Canyon Area of Missoula, now an expensive residential district. There were many other such places around the state that have been cleaned up. Many states have marveled at our program and are trying to duplicate its success. As you drive between destinations within town or between towns you see very few vehicles which meet all 3 requirements of a junk vehicle as defined by statute: 1) inoperable, 2) unrepairable, and 3) unlicensed. A vehicle has to meet all 3 conditions in order to fall under the jurisdiction of this program. In fiscal year 1994, 5,449.4 tons of cars were crushed from the county wrecking facilities representing between approximately 5500 cars. From the inception of the program until now 157,733 tons have been crushed out of the county graveyards representing about 160,000 to 170,000 cars. The totals from privately owned salvage yards is not available, but they too have crushed many of the junk vehicles.

The state program insures compliance with the shielding requirements and environmental regulations on county graveyards as well as the salvage yards. Cars can be a major source of environmental pollution--ground, water, and air. During the annual inspections, standards set by the department and other regulatory agencies such as the EPA are discussed and compliance is looked at. Any newly licensed wrecking facility--county or private, must have a dismantling pad so all the fluids are drained from the

the yard. E P A requires that all the freon be collected and not vented into the air. Without the program there will be many cars sitting in lots of backyards. If someone needs a radiator, he just cuts the radiator hose and unbolts the radiator, the antifreeze goes directly on the ground. Somebody else needs the air conditioning compressor so the freon is vented into the atmosphere. The battery is in the way, so it is taken out and set on the ground where the lead and acid seep into the ground.

The Department of Justice requires titles for vehicles to be sent to Deer Lodge on a quarterly basis. The title files for all the vehicles are branded junk and removed from the active vehicle records. Montana has been a haven for stolen car operators because of the ease of getting a clean Montana title. Salvage auctions are one source of these titles. The operators of the auctions require a salvage license or a used dealer license to bid on cars. Without a statewide licensing program, who is allowed to buy these vehicles. What program will the Department of Justice use to enforce its regulations on titles. Are the counties also going to handle this collection process? How is the county going to pay for the process?

There has been a great push in government to move as many programs as possible to the private sector. When this program was established, a provision was included to allow a county to contract with a privately owned licensed salvage yard or a towing company. If a privately owned facility wants to handle the county program, all he has to do is contact the county officials and enter negotiations to develop the contract. Private enterprise is involved in every county program to some degree--from contracting for special services to completely running the program. 8 counties in the state do not have a privately owned facility. There is also 1 county co-op program in the Lewistown area in which 6 counties have worked together to develop a single cost effective program.

In 1991 a provision was added to the program so the counties could establish an auction to sell vehicles out of the county wrecking facilities to licensed salvage yard operators. This was done to keep the restorable and classic type cars out of the county graveyards. At this time, not a single auction has been held.

Private industry does not want these cars. It takes my

antifreeze, engine oil, transmission fluid, and rear end lubricant. With towing expenses, up front expenses, and equipment upkeep costs, a car must have some value above the crushing value to make it worthwhile to pickup. Most of the vehicles picked up by the county do not have that value.

If the program is eliminated and the fees are gone to fund picking up the junk vehicles, the private citizen will have to foot the bill. When someone calls and says they have a junk vehicle to be picked up and the tow or the salvage yard say our standard fee to do that is \$35 plus \$2.00 a mile, the citizen will leave the car set in his back yard. From Helena to Canyon Creek could cost the person between \$75 and \$100 to have a junk vehicle hauled away depending on the trouble it takes to get that vehicle. No one I know in the private sector is going to drive 30 or 50 miles round trip to just pick up a bare frame, a fender, or a stripped hulk. In some counties that trip could be as far as 140 miles one way.

If the counties are required to license the salvage yards, the standards will be different in each county and will change with each change in personnel. The program in Lewis and Clark County had a very aggressive individual until 2 years ago. He enforced the shielding requirements on private individuals, shops, and salvage yards. He was able to get satellite yards established in Augusta and Lincoln. In the last 2 years, since he has been gone, we have had to call the state to get our annual inspection. There were 10 yards licensed in Lewis and Clark County in 1994. 7 of those yards are still waiting for county inspection so they can be licensed for 1995. Counties with very strong environmental concerns may make getting a license nearly impossible to qualify for. Those counties with less concern may license everybody who applies. The standards also change with the change in personnel.

Under House Bill 605, the only funds available to the county to run a program are those charged to the salvage yards for licensing. In 1994, the money given to Lewis & Clark county was \$46,319.00 by the state program. If that money had to be made up by the 10 wrecking facilities in the county it would cost each one \$4700 a year for a license to operate. Of the 10 yards in this county, 2 are actually scrap yards and 3 or 4 are rebuilders who would simply drop there license. That leaves only about 5 actual salvage yards to fund the program costing them each \$9400. That is more than any of us can afford. Does that fee go up each year to

By statute each county must be paid a minimum of \$5000 to administer the program. Broadwater County has only 2 licensed active wrecking facilities, both owned by Henry Lohr. Is he willing to pay that kind of fee to license his yard for 1996. Custer, Choteau, Fallon, Garfield, Granite, Madison, McCone, Rosebud, Sheridan, and Stillwater all only have 1 licensed wrecking facility. Will it fall on that one part of private enterprise to pay for the county program. And remember there are 8 more counties that have no private salvage yards at all. Who pays for the program in those counties.

The counties are prohibited by law from adding the \$50 per vehicle fee and The \$1.00 on title transfer that the state currently charges. Those fees are down from the inception of the program. It would be safe to assume that the total cost of the present program is far less than \$5.00 per year per average Montana family. The current funding system works very well and is very inexpensive.

Under House Bill 605, the program is closed on 6/30/95 with all the funds being transferred to the general fund. However the fees charged on the license plates and title transfers continue to 12/30/95. The state took the excess money from the program in 1987. Since 1973, when the program began, 3 1/2 million dollars in interest has been generated and gone directly into the general fund. If the program is killed that money will never again be available.

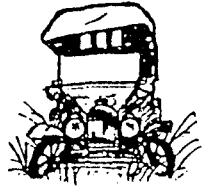
House Bill 605 eliminates the program, but all the junk vehicle laws remain. Who enforces the laws. Are we going to have more laws on the books without enforcement capabilities?

Please leave the junk vehicle program intact. Take the excess funds, but don't take it away.

Loretta Miller  
owner Green Meadow  
Auto Salvage  
Vice President Montana



# GREEN MEADOW AUTO SALVAGE



7313 Green Meadow Drive  
Helena, MT 59601  
Phone 458-9204  
In Montana 1-800-345-5695

SENATE LOCAL GOVT. COMM.

EXHIBIT NO. 2

DATE 3-28-95

BILL NO. HB 605

March 27, 1995

Dear Senator Beck,

Thanks for taking a few minutes to consider our reasons for opposing H.B. 605.

1. The program is effective. There are very few junk vehicles on our city streets and in the country fields.
2. We need the program to enforce the shielding requirements and environmental restrictions on the hazardous materials generated by a car - freon, antifreeze, batteries, waste oil.
3. The Department of Justice uses the junk vehicle program to take many titles out of circulation every day.
4. Privatization of the county graveyard is already available to any county and privately owned salvage yard that want to develop such a program.

5. If the counties are required to license the salvage yards, the standards will be different in each county and with each change of personnel.

6. The only funds available to the county to run the program are those fees charged to license the private yards. So if the program costs \$25,000 in a county to run and there are 5 licensed yards in the county, it would cost each yard \$5,000 per year for a license.

7. There are 8 counties within the state without a privately owned salvage yards.

8. HB605 eliminates the junk vehicle program but leaves all the junk vehicle laws in place.

9. Program is closed 6/30/95 with all the funds being transferred to the general fund. However the fees charged on the license plates and title changes are collected through 12/31/95 even though there is no program. If the program and fees are gone, that excess money will never be available to balance the budget again.

10. The privately owned salvage yards will not pick up the junk vehicles. Many of them don't have the equipment to haul those vehicles or hulks. They also will not travel 10 or 15 miles not alone 50 or 75 to pick up a stripped hull, a bare frame or bare cab. If a citizen is forced to pay \$50<sup>00</sup> to \$100<sup>00</sup> to have a junked vehicle removed, he will let it sit. ~~or~~

Thanks again for these few minutes

Foretta Miller  
partner Green Meadow Auto Salvage  
vice president Montana  
Automobile Dismantlers and  
Recyclers Association

# CITY-COUNTY HEALTH DEPARTMENT



1130 17TH AVENUE SOUTH  
GREAT FALLS, MONTANA 59405-4597  
(406) 454-6950 FAX: (406) 454-6959

WIC PROGRAM: (406) 454 6953

BETTER BEGINNINGS: (406) 454-6954



## TESTIMONY HB 605

MR CHAIRMAN AND COMMITTEE MEMBERS, MY NAME IS PETE FRAZIER, ENVIRONMENTAL HEALTH DIRECTOR WITH THE CITY-COUNTY HEALTH DEPARTMENT IN CASCADE COUNTY. I HAVE BEEN INVOLVED IN THE JUNK VEHICLE PROGRAM SINCE ITS PASSAGE IN THE 1973 LEGISLATIVE SESSION. THANK YOU FOR THE OPPORTUNITY TO COMMENT ON THIS TROUBLESOME BILL.

HB605 PROPOSES TO ELIMINATE THE STATE FROM THE STATE JUNK VEHICLE PROGRAM AND TURN THE ENTIRE PROGRAM OVER TO THE COUNTIES TO OPERATE. THIS MAY SOUND GOOD AT FIRST--PROVIDING LOCAL CONTROL AND REDUCING THE SIZE OF STATE GOVERNMENT. HOWEVER, THE PROBLEM WITH HB605 IS THAT IT LEAVES MOST OF THE REQUIREMENTS OF THE EXISTING LAW WITH REGARD TO LICENSING AND INSPECTING WRECKING FACILITIES, RESPONDING TO COMPLAINTS CONCERNING JUNK CARS ON PRIVATE PROPERTY AND ENFORCING THE STATUTE WHEN VIOLATIONS ARE FOUND TO THE COUNTIES WITHOUT ANY FUNDING TO PERFORM THE REQUIRED DUTIES. HB605 HAS BEEN AMENDED TO MAKE OPERATING A FREE MOTOR VEHICLE GRAVEYARD OPTIONAL BUT ALL OTHER MANDATED DUTIES REMAIN IN THE STATUTE. ALL FUNDING MECHANISMS HAVE BEEN REPEALED AND REPLACED WITH AUTHORIZING THE COUNTIES TO CHARGE A LICENSE FEE FOR THE LICENSED WRECKING FACILITIES. SINCE MOST COUNTIES HAVE ONLY ONE OR TWO WRECKING FACILITIES AND EVEN THE LARGER COUNTIES HAVE LESS THAN 20 FACILITIES, THE LICENSE FEE WOULD HAVE TO BE ENORMOUS IN ORDER TO PROVIDE ADEQUATE FUNDING TO CONDUCT THE REQUIRED ACTIVITIES. THIS IS NOT A TRUE FUNDING MECHANISM. THE COUNTY WILL BE LEFT WITH A GREATER JOB THAN WE HAVE HAD IN THE PAST, BUT WITH NO FUNDING OR ADEQUATE FUNDING MECHANISM. HB 605 DOES JUST WHAT THE LEGISLATURE HAS BEEN TRYING TO AVOID THIS SESSION AND WHAT THE STATES HAVE BEEN COMPLAINING TO THE FEDERAL GOVERNMENT ABOUT--IT CREATES A HUGE UNFUNDED MANDATE TO THE COUNTY.

THE STATE JUNK VEHICLE PROGRAM IS ONE PROGRAM THAT COSTS THE PUBLIC VERY LITTLE (50 CENTS A YEAR ON EACH VEHICLE LICENSED AND \$1.50 FOR A NEW OR TRANSFERRED TITLE) YET PROVIDES A GOOD SERVICE THAT THE PUBLIC DEMANDS. BASED ON THE NUMBER OF CALLS WE RECEIVE IN OUR OFFICE EVERY DAY, THE PUBLIC KNOWS THERE IS A PLACE THEY CAN CONTACT TO SOLVE THEIR PROBLEM, WHETHER IT BE VEHICLE REMOVAL OR A COMPLAINT.

I HAVE HEARD COMMENTS THAT THIS PROGRAM CAN BE PRIVATIZED. WHO IN THE PRIVATE SECTOR IS GOING TO TAKE ON THE TASK OF ENFORCING THE STATUTE, INSPECTING THE WRECKING FACILITIES, REMOVING THE VEHICLES, ETC, WHEN THERE IS NO MONEY TO PAY THEM FOR THEIR SERVICES? THE PUBLIC DOES NOT MIND PAYING 50 CENTS A YEAR ON THEIR LICENSE PLATE, BUT THEY ARE NOT GOING TO PAY SOMEONE \$50 TO HAVE SOMEONE HAUL AWAY THEIR OLD JUNKER. INSTEAD THEY WILL LEAVE IT IN THEIR ALLEY OR PULL IT OUT AND ABANDON IT ALONG THE ROAD OR STREET. MUCH OF THE PROGRAM IS ALREADY PRIVATIZED, SINCE MANY COUNTIES, INCLUDING CASCADE COUNTY, USE PRIVATE WRECKER FIRMS TO REMOVE THE JUNK VEHICLES. UNDER THE EXISTING PROGRAM EVERY VEHICLE OWNER PAYS HIS 50 CENTS A YEAR AND THE ACCUMULATED MONEY IS DISTRIBUTED TO EACH COUNTY BASED ON THE NUMBER OF VEHICLES LICENSED IN THAT COUNTY. EACH COUNTY HAS ADEQUATE FUNDS TO PAY A WRECKER SERVICE A REASONABLE FEE TO REMOVE THE VEHICLES. HB 605 STOPS ALL THAT AND BECAUSE OF IT THE JUNK VEHICLES WILL STOP MOVING INTO THE WRECKING FACILITIES WHERE THEY BELONG, AND WILL ONCE AGAIN BEGIN ACCUMULATING IN THE BACK LOTS AND COUNTRY FIELDS JUST AS THEY WERE OVER 20 YEARS AGO.

I URGE YOU TO VOTE AGAINST HB 605. IT SAVES THE TAXPAYERS VERY LITTLE (50 CENTS A YEAR OR SO), BUT IN THE LONG RUN IT WILL COST THEM. IF IT IS ABSOLUTELY IMPERATIVE THAT YOU VOTE FOR THIS BAD BILL THEN AT LEAST LEAVE THE FUNDING MECHANISM--50 CENTS PER VEHICLE LICENSE PLATE AND \$1.50 PER TITLE--IN TACT AND ALLOW THE COUNTY TREASURER TO MERELY DEPOSIT THE LICENSE FEE AND TITLE FEE DIRECTLY INTO THE COUNTY JUNK VEHICLE PROGRAM FUND, RATHER THAN DISTRIBUTING IT TO THE STATE, BUT DON'T DISMANTLE THE EXISTING STATUTE THAT HAS BEEN A MODEL PROGRAM IN THE NATION (IT WON THE

EXHIBIT 3  
DATE 3-28-95  
HB 605

COUNCIL OF STATE GOVERNMENTS AWARD FOR INNOVATION IN STATE PROGRAMS  
SEVERAL YEARS AGO). EITHER LEAVE THE PROGRAM ALONE AND KILL HB605  
OR GIVE THE COUNTIES ADEQUATE RESOURCES TO DO THE JOB RIGHT BY  
AMENDING HB605 TO ALLOW FUNDING TO THE COUNTIES.  
THANK YOU.

March 28, 1995

## TESTIMONY TO THE SENATE LOCAL GOVERNMENT COMMITTEE

House Bill 605: Elimination of the Junk Vehicle Program

Submitted by: Terry Murphy, Registered Sanitarian  
Representing: Lake County

Chairman Beck, Members of the Committee For the Record my name is Terry Murphy and I am representing Lake County. I am speaking this morning in **opposition** of House Bill 605 for the following reasons:

### 1) **HB 605 IS AN UNFUNDED MANDATE**

Despite what proponents are claiming, this bill is a classic example of an unfunded mandate. I have taken the liberty of highlighting the examples of state imposed mandates in HB 605. The prime example is Section 4 "75-10-511 MCA which is amended to read: *Motor vehicle wrecking facility and motor vehicle graveyard licenses.* (1) A person may not conduct, maintain, or operate a motor vehicle wrecking facility or motor vehicle graveyard without a license issued **by the county where the facility or graveyard is located.** Additionally, Section 7 "75-10-516, MCA is amended to shift the decision criteria for granting a license from the state to the county. Among other things, this section **mandates the county** to notify all adjoining property owners and to conduct a public hearing to determine whether the proposed facility will significantly affect the quality of life of adjoining landowners and the surrounding community. Bear in mind that as the licensing authority we would be required to conduct an environmental review to satisfy the Montana Environmental Policy Act. The bottom line is that a county can expect to commit on the average of 160 man hours over and above what is currently committed for each new license application. Keep in mind that any county which fails to adhere to the licensing procedure runs the risk of huge liability problems.

### 2) **HOUSE BILL 605 CREATES ENFORCEMENT PROBLEMS**

Requirements for shielding (75-10-505), and for licensing as a motor vehicle wrecking facility (75-10-511) are still in place. Someone will still have to enforce these provisions. In addition to the funding for enforcement being eliminated, you have also invalidated the administrative rules. Each county board of health will have to adopt a set of rules to address such items as shielding specifications, license fees, and inspections for motor vehicle wrecking facilities. Additionally, the state will no longer be a partner in enforcement, so the entire burden of enforcement falls to the counties. The bottom line is the counties of Montana will be forced to commit a considerable amount of additional resources with no compensation for the enforcement of junk vehicle requirements.

### 3) **PRIVATE INDUSTRY WILL NOT REPLACE COUNTY PROGRAMS**

Proponents claim that the services provided by the counties can be replaced by private industry. The reality is that private industry can only be expected to

provide services that return a profit. Many of the junk vehicles released to the county have little or no value. In most cases, the revenue received in crushing does not cover the cost of hauling. It is also note worthy that 75% of the counties currently contract with private industry for the removal of junk vehicles. Bottom line - individuals with junk vehicles will find it very difficult to dispose of them.

**4) THE NUMBER OF IMPROPERLY DISPOSED JUNK VEHICLES WILL INCREASE**

It is reasonable to assume that the number of junk vehicles in any given community will increase with the passage of HB 605. Therefore, it is also reasonable to assume that without services being provided, illegal disposal of junk vehicles will increase. Not only are these vehicles unsightly and diminish neighboring property values, but they also present health risks. In addition to physical dangers such as broken glass; dangers from hazardous wastes such as anti-freeze, gasoline, and used oil are also present. Note that old motor vehicle wrecking facilities have been known to turn into super fund sites. The bottom line is that the counties can expect to see more junk vehicles which will result in increased enforcement burdens.

**5) JUNK VEHICLES WILL BE DUMPED ALONG ROAD SIDES AND ON PUBLIC LAND**

Many individuals will resort to abandoning inoperable vehicles on public lands rather than facing enforcement attempts or the cost of proper disposal. Bottom line, counties will still bear some of the burden of disposing of junk vehicles. The only difference is that the funding to do so will be gone.

**6) THE PROGRAM HAS DONE A GOOD JOB WITH ITS RESOURCES**

Lets face it, the reason cutting this program is so attractive is that the general fund stands to gain \$800,000. 00. It does not make sense to me to eliminate a program because it has managed its resources wisely. What kind of a message does that send to other agencies? Bottom line, how can you promote wise resource management when you kill programs for exercising fiscal restraint.

In conclusion House Bill 605 is an UNFUNDED MANDATE that will create problems and cost money. I urge you to kill this unwanted and certainly unnecessary beast dead in committee.

Thank you



## 1 HOUSE BILL NO. 605

2 INTRODUCED BY GRADY, SLITER, GRINDE, LARSON

3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE STATE JUNK VEHICLE PROGRAM;  
6 AUTHORIZING A COUNTY TO OPERATE A JUNK VEHICLE PROGRAM; AMENDING SECTIONS 61-3-211,  
7 75-10-501, 75-10-504, 75-10-511, 75-10-513, 75-10-514, 75-10-516, 75-10-521, 75-10-522, 75-10-531,  
8 75-10-541, AND 75-10-542, MCA; REPEALING SECTIONS 61-3-508, 75-10-503, 75-10-515, 75-10-532,  
9 75-10-533, AND 75-10-534, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

12  
13 Section 1. Section 61-3-211, MCA, is amended to read:

14 "61-3-211. Surrender of certificate of ownership -- issuance of salvage certificate -- salvage  
15 retitling requirements. (1) An insurer acquiring ownership of a vehicle that is less than 5 years of age that he  
16 the insurer determines to be a salvage vehicle shall surrender the certificate of ownership to the department  
17 within 15 days after acquiring the certificate. If the insurer has not sold the salvage vehicle prior to the time of  
18 surrendering the certificate of ownership, the insurer shall apply for a salvage certificate on a form prescribed  
19 by the department. If the certificate of ownership names one or more holders of a perfected security interest  
20 in the vehicle, the insurer shall secure and deliver to the department a release from each secured party of the  
21 secured interest.

22 (2) Upon receipt of a properly executed certificate of ownership and a salvage certificate application  
23 from an insurer, the department shall issue a salvage certificate to the insurer within 5 working days of the date  
24 of receipt of the application. Upon receipt of a salvage certificate issued by the department, an insurer may  
25 possess, retain, transport, sell, transfer, or otherwise dispose of the salvage vehicle. The salvage certificate is  
26 prima facie evidence of ownership of a salvage vehicle.

27 (3) If the insurer sells a salvage vehicle within the 15-day period established in subsection (1) prior to  
28 surrendering the certificate of ownership, the insurer shall complete a salvage receipt on a form prescribed by  
29 the department. The insurer shall deliver the original salvage receipt to the salvage vehicle purchaser only after  
30 obtaining a clear title and lien release. Prior to disposing of the salvage vehicle, the salvage vehicle purchaser

1 shall apply for a salvage certificate by completing the salvage receipt and submitting it to the department. The  
2 insurer shall deliver a copy of the salvage receipt with the surrendered certificate of ownership to the  
3 department. Upon receipt of the certificate of ownership from the insurer and the application from the salvage  
4 vehicle purchaser, the department shall issue a salvage certificate to the salvage vehicle purchaser that is prima  
5 facie evidence of ownership.

6 (4) If an insurer determines that a salvage vehicle will remain with the owner after an agreed  
7 settlement, the insurer shall notify the department of the settlement on a form prescribed by the department.  
8 Upon receipt of the notice, the department may require the owner to surrender the certificate of ownership in  
9 compliance with this part, regardless of whether ownership of the salvage vehicle was obtained in a jurisdiction  
10 not requiring the surrender of the certificate of ownership or a comparable ownership document.

11 (5) At the time of surrender of a certificate of ownership for a salvage vehicle not acquired by an  
12 insurer, the department shall issue a salvage certificate to the owner. Upon receipt of a salvage certificate  
13 issued by the department to a noninsurer, the owner may possess, retain, transport, sell, transfer, or otherwise  
14 dispose of the salvage vehicle. A salvage certificate is prima facie evidence of ownership of a salvage vehicle.

15 (6) A fee of \$5 must be paid to the department for the issuance of a salvage certificate.

16 (7) A salvage vehicle owned by or in the inventory of a motor vehicle wrecking facility on October 1,  
17 1991, is exempt from the provisions of this section if the owner of the facility has complied with the provisions  
18 of 75-10-513(2)."

19  
20 **Section 2.** Section 75-10-501, MCA, is amended to read:

21 **"75-10-501. Definitions.** Unless the context requires otherwise, in this part, the following definitions  
22 apply:

23 ~~(1) "Board" means the board of health and environmental sciences provided for in 2-15-2104.~~

24 ~~(2)~~(1) "Component part" means any identifiable part of a discarded, ruined, wrecked, or dismantled  
25 motor vehicle, including but not limited to fenders, doors, hoods, engine blocks, motor parts, transmissions,  
26 frames, axles, wheels, tires, and passenger compartment fixtures.

27 ~~(3) "Department" means the department of health and environmental sciences provided for in Title 2,~~  
28 ~~chapter 15, part 21.~~

29 ~~(4)~~(2) "Junk vehicle" means a discarded, ruined, wrecked, or dismantled motor vehicle, including  
30 component parts, which is not lawfully and validly licensed and remains inoperative or incapable of being driven.

(5)(3) "Motor vehicle graveyard" means a collection point THAT MAY BE established by a county for junk motor vehicles prior to their disposal.

(6)(4) "Motor vehicle wrecking facility" means:

(a) a facility buying, selling, or dealing in four or more vehicles per year, of a type required to be licensed, for the purpose of wrecking, dismantling, disassembling, or substantially changing the form of the motor vehicle; or

(b) a facility that buys or sells component parts, in whole or in part, and deals in secondhand motor vehicle parts. A facility that buys or sells component parts of a motor vehicle, in whole or in part, is a motor vehicle wrecking facility whether or not the buying or selling price is based upon weight or any other type of classification. The term does not include a garage where wrecked or disabled motor vehicles are temporarily stored for a reasonable period of time for inspection, repairs, or subsequent removal to a junkyard.

(7)(5) "Person" means any individual, firm, partnership, company, association, corporation, city, town, local governmental entity, or any other governmental or private entity, whether organized for profit or not.

(8)(6) "Public view" means any point 6 feet above the surface of the center of a public road from which junk vehicles can be seen.

(9)(7) "Shielding" means the construction or use of fencing or manmade or natural barriers to conceal junk vehicles from public view."

**Section 3.** Section 75-10-504, MCA, is amended to read:

**"75-10-504. Shielding – new facility.** A motor vehicle wrecking facility or graveyard site established or proposed on or after July 1, 1973, may not be approved for use or licensed if the proposed facility cannot be shielded from public view on the date it is initially established or proposed to ~~the department~~ a county for licensure. The prohibition concerning approval of a new motor vehicle wrecking facility or graveyard site does not apply to a facility site that was licensed ~~as such~~ at any time within the 18 months immediately preceding the date an application is made for licensure of ~~such~~ the site."

**Section 4.** Section 75-10-511, MCA, is amended to read:

**"75-10-511. Motor vehicle wrecking facility and motor vehicle graveyard licenses.** (1) A person may not conduct, maintain, or operate a motor vehicle wrecking facility or motor vehicle graveyard without a license issued by ~~the department~~ a THE county WHERE THE FACILITY OR GRAVEYARD IS LOCATED:

(2) Application for the license shall must be made on forms furnished by the ~~department~~ county. A COUNTY MAY ESTABLISH THE FEE FOR LICENSURE.

~~(3) An annual fee of \$50 shall be paid to the department for the license or quarterly prorated for new facilities.~~

~~(4) A motor vehicle graveyard is excluded from paying the annual license fee but must meet all other requirements of the part.~~

~~(5)~~(3) A license shall must be displayed in a prominent place in the licensed facility or graveyard.

~~(6) The license expires on December 31 of the year issued.~~

~~(7) If a motor vehicle wrecking facility ceases to do business, the license shall be surrendered to the department. The license is not transferable."~~

Section 5. Section 75-10-513, MCA, is amended to read:

"75-10-513. Disposal of junk vehicles -- ~~fees and records.~~ (1) ~~When a motor vehicle wrecking facility submits a junk vehicle to the disposal program, it shall pay a disposal fee of \$2 for each vehicle submitted, and the vehicle is then the property of the state.~~

(2) Quarterly, each motor vehicle wrecking facility shall mail to the department of justice a ~~list~~, on a form approved by the department of justice, a list of all junk vehicles received by the motor vehicle ,wrecking facility during the quarter, stating the year, make, and the complete identification number of each vehicle. Any If a certificate of ownership is received for a junk vehicles vehicle on the list, that certificate must accompany each the list. The department of justice shall issue a receipt ~~of~~[for] the certificate of ownership if requested by the licensed facility, and ~~such~~ the receipt may serve as an instrument for reclaiming the certificate of ownership if the vehicle is rebuilt.

~~(3) A motor vehicle graveyard shall submit to the department the records, documents, and other information concerning junk vehicles received by it that are required by rules of the department."~~

Section 6. Section 75-10-514, MCA, is amended to read:

"75-10-514. Denial, suspension, or revocation of license -- grounds. ~~The department~~ A county may deny, suspend, or revoke a motor vehicle wrecking facility's license when it proves the business:

(1) sold or otherwise disposed of a motor vehicle, trailer, or any component part thereof when it knew the vehicle or part was stolen or was appropriated without the consent of the owner;

(2) committed forgery on a certificate of title covering a vehicle that has been reassembled from parts obtained from the disassembling of other vehicles;

(3) committed any illegal act or omission ~~which~~ that has caused loss as the result of a sale of a motor vehicle, trailer, or component part thereof;

(4) failed to comply with this part ~~or with a rule of the department~~;

(5) obtained a license fraudulently."

**Section 7.** Section 75-10-516, MCA, is amended to read:

**"75-10-516. Motor vehicle wrecking facilities and motor vehicle graveyards -- licensing process -- decision criteria.** (1) When an application for a motor vehicle wrecking facility or motor vehicle graveyard is filed with the ~~department~~ a county, the ~~department~~ county shall notify by mail:

(a) each owner of property adjoining the proposed facility;

~~(b) the governing body of the county in which the proposed facility is to be located; and~~

~~(c)~~ (b) a newspaper of general circulation in the area where the proposed facility is to be located.

(2) Within 30 days of receipt of the notification in subsection (1)(b), the governing body of the county may:

~~(a) conduct a public hearing to determine whether the proposed facility will significantly affect the quality of life of adjoining landowners and the surrounding community; and~~

~~(b) adopt a resolution in support of or opposition to the location of the proposed facility and transmit a copy of the resolution to the department.~~

~~(3) The department may not grant a license to a facility that a governing body has opposed under subsection (2)(b).~~

~~(4)~~ (3) In making its decision to grant or deny a license application, the ~~department~~ county shall consider the effect of the proposed facility on adjoining landowners and land uses."

**Section 8.** Section 75-10-521, MCA, is amended to read:

**"75-10-521. Powers and duties of county motor vehicle recycling and disposal programs.** (1) (a) Each A county shall MAY acquire, develop, and maintain property for free motor vehicle graveyards. The property may be acquired by purchase, lease, or otherwise.

(b) As an alternative, the county may contract for the maintenance and operation of a motor vehicle

graveyard or graveyards, but ~~any such a~~ contract may be entered into only with a motor vehicle wrecking facility licensed under the provisions of this part.

(2) Two or more counties may join to form a district for the purpose stated in this section. If a district is formed, all provisions of this part pertaining to a county also apply to a district formed under this subsection.

~~(3) When there is an accumulation of at least 200 junk vehicles in the graveyard, the county shall notify the department for disposal purposes.~~

~~(4) The county commissioners of each county shall designate a representative to be responsible for implementing this part.~~

~~(5) Each county, through its designated representative, shall inspect each licensed motor vehicle wrecking facility within its boundaries, consistent with rules adopted by the department.~~

~~(6)(3) Each county may sell junk vehicles from the motor vehicle graveyard to licensed motor vehicle wrecking facilities. The sales may be conducted only pursuant to a plan that has been approved by the department for consistency with its rules.~~

~~(7) A county shall submit to the department for approval a plan for the collection of junk vehicles and the establishment and operation of the motor vehicle graveyard.~~

~~(8) The county shall submit to the department for approval a proposed budget for the succeeding fiscal year. The budget shall be for the amounts required by the county for collection costs, acquisition, maintenance, and operation of the graveyard and for other duties relating to implementation of this part. Any proposed change in the budget or plan must be approved by the department."~~

**Section 9.** Section 75-10-522, MCA, is amended to read:

**"75-10-522. Use of motor vehicle graveyards by individuals.** An individual may dispose of a junk vehicle by delivering the vehicle to a motor vehicle graveyard and by delivering to the department county certificate or evidence of title to the vehicle or a written release of the vehicle."

**Section 10.** Section 75-10-531, MCA, is amended to read:

**"75-10-531. Crushing and recycling of junk vehicles.** (1) ~~The department shall~~ A county may contract for final disposition of junk vehicles accumulated in motor vehicle graveyards and ~~shall~~ provide for crushing and recycling the material from the vehicles.

(2) ~~The department~~ A county may also contract to dispose of, by crushing and recycling, junk vehicles

1 accumulated in the yard of a motor vehicle wrecking facility. The ~~department~~ county may ~~se~~ contract only upon  
2 the request of the facility and only if there is an accumulation of at least 200 vehicles at the facility."

3  
4 **Section 11.** Section 75-10-541, MCA, is amended to read:

5 **"75-10-541. Injunction -- action to collect civil penalty -- authority of department of justice. (1)**

6 ~~The department~~ A county may sue to enjoin the operation or maintenance of a motor vehicle wrecking facility  
7 or graveyard either permanently or until compliance with this part, ~~the rules of the department~~, or an order  
8 issued pursuant to this part has been demonstrated.

9 (2) ~~The department~~ A county may sue in district court to collect a civil penalty as provided in  
10 75-10-542.

11 (3) Upon request of ~~the department~~ a county, the attorney general or the county attorney of the county  
12 in which a motor vehicle wrecking facility or graveyard is located may petition the district court to enjoin further  
13 operation or maintenance of a motor vehicle wrecking facility or graveyard or to impose, assess, and recover  
14 a civil penalty, as appropriate.

15 (4) The department of justice, through the attorney general or the county attorney of the county in  
16 which a facility is located, may sue in district court to collect a civil penalty as provided in 75-10-542 for  
17 violations of 75-10-512 or 75-10-513(2) discovered during department of justice inspections."

18  
19 **Section 12.** Section 75-10-542, MCA, is amended to read:

20 **"75-10-542. Penalties. (1)** A person who willfully violates this part, except 75-10-520, is guilty of a  
21 misdemeanor and upon conviction shall be fined not to exceed \$250, imprisoned in the county jail for a term  
22 not to exceed 30 days, or both.

23 (2) A person who violates this part, except 75-10-520, ~~a rule of the department~~, or an order issued as  
24 provided in this part shall be subject to a civil penalty of not more than \$50. Each day upon which a violation  
25 of this part or ~~a rule of an~~ an order occurs is a separate violation."

26  
27 NEW SECTION. **Section 13. Repealer.** Sections 61-3-508, 75-10-503, 75-10-515, 75-10-532,  
28 75-10-533, and 75-10-534, MCA, are repealed.

29  
30 NEW SECTION. SECTION 14. FUND TRANSFER. ANY MONEY REMAINING IN THE STATE

1 SPECIAL REVENUE ACCOUNT ON [THE EFFECTIVE DATE OF THIS ACT] THAT IS TO BE USED  
2 PURSUANT TO 75-10-532 IS TRANSFERRED TO THE GENERAL FUND.

3

4 NEW SECTION. SECTION 15. SAVING CLAUSE. [THIS ACT] DOES NOT AFFECT RIGHTS AND  
5 DUTIES THAT MATURED, PENALTIES THAT WERE INCURRED, OR PROCEEDINGS THAT WERE BEGUN  
6 BEFORE [THE EFFECTIVE DATE OF THIS ACT].

7

8 NEW SECTION. Section 16. Effective date. [This act] is effective January 1, 1996.

9

[illegible]



authorizing the sale of junk vehicles by county motor vehicle graveyards to licensed motor vehicle wrecking facilities. The department shall adopt these rules no later than July 1, 1992.

75-10-504. Shielding -- new facility. A motor vehicle wrecking facility or graveyard site established or proposed on or after July 1, 1973, may not be approved for use or licensed if the proposed facility cannot be shielded from public view on the date it is initially established or proposed to the department for licensure. The prohibition concerning approval of a new motor vehicle wrecking facility or graveyard site does not apply to a facility site that was licensed as such at any time within the 18 months immediately preceding the date an application is made for licensure of such site.

75-10-505. Shielding and removal of junk vehicles generally. Notwithstanding the provisions of this part, any person possessing one or more junk vehicles, regardless of ownership, shall shield the vehicles from public view or remove the vehicles to a licensed motor vehicle wrecking facility or to a licensed motor vehicle graveyard after the vehicles are released from the owner. Small accumulations of salvageable vehicles or component parts, none of which are offered for sale, retained by active farming or ranching operations for repair and maintenance of vehicles, or agricultural equipment used in their operations, are exempted from this requirement.

75-10-506 through 75-10-510 reserved.

75-10-511. Motor vehicle wrecking facility and motor vehicle graveyard licenses.

(1) A person may not conduct, maintain, or operate a motor vehicle wrecking facility or motor vehicle graveyard without a license issued by the department.

(2) Application for the license shall be made on forms furnished by the department.

(3) An annual fee of \$50 shall be paid to the department for the license or quarterly prorated for new facilities.

(4) A motor vehicle graveyard is excluded from paying the annual license fee but must meet all other requirements of the part.

(5) A license shall be displayed in a prominent place in the licensed facility or graveyard.

(6) The license expires on December 31 of the year issued.

(7) If a motor vehicle wrecking facility ceases to do business, the license shall be surrendered to the department. The license is not transferable.

75-10-512. Records required of facilities. (1) Each motor vehicle wrecking facility shall maintain books or files in which are kept a record and description of every junk vehicle obtained by it, together with the name and address of the person from whom the vehicle was purchased.

(2) This record must also contain:

(a) the certificate of ownership, sheriff's certificate of sale, notarized bill of sale from the former owner or person selling the vehicle, release of ownership or interest in the motor vehicle, or sheriff's release;

(b) the name of the state where the vehicle was last registered;

(c) the make of the vehicle;

(d) the vehicle identification number as defined in 61-3-210 or the motor number, identification number, or serial number;

(e) the date purchased;

(f) the disposition of the vehicle.

(3) An authorized representative of the department of justice who presents credentials may also inspect, have access to, and copy records required under this section.

75-10-513. Disposal of junk vehicles -- fees and records. (1) When a motor vehicle wrecking facility submits a junk vehicle to the disposal program, it shall pay a disposal fee of \$2 for each vehicle submitted, and the vehicle is then the property of the state.

(2) Quarterly, each wrecking facility shall mail to the department of justice

Senate Committee

I am the owner of a small, family run business that has been dismantling cars since 1948 and I am here to speak on behalf of saving the Junk Vehicle Program. I have been involved in this program since it started 23 years ago.

We need this program to stay in effect so that junk cars will not be spread throughout our beautiful state of Montana. If this junk vehicle program is cut, private enterprises will not be able to cover the expense of picking up every junk car in the state.

In Deer Lodge county we work very close with the Junk Vehicle Program. In my wrecking yard, I have a car crusher that I built myself. This means that I do my own crushing of cars and I don't have out-of-state people do the work for me, even though other salvage yards do this. I also pick up most of the cars in Deer Lodge county, but there is still a need to have our county pick up many of these junk cars.

In 1994, our program in Deer Lodge county cost \$5,317.30. If this program is cut out, there are two yards in our county that will have to come up with \$2,658.65 in business license fees. This would be devastating for our yard to stay in business.

Powell county has one yard and their program cost \$5,317.20 to run. This is what they would have to charge for business license fees. Also, Granite County's program cost \$3,969.46 to run and they have no wrecking yard in their county who will come up with all this money.

There is no way private enterprises can pick up every junk car in the state of Montana. Please don't kill this program. You surely don't want Montana to be known as the Junk Yard State instead of the Big Sky State.

Thanks,

Mickie Nazer  
Nazer and Son Towing*Mickie Nazer*

AN ACT ELIMINATING THE STATE JUNK VEHICLE PROGRAM,  
AUTHORIZING A COUNTY TO OPERATE A JUNK VEHICLE PROGRAM.

SEN. JOE GUYT. COMM.

PROGRAM ITSELF-

EXHIBIT NO. 6

DATE 3-28-95

First of all I would like to say I feel this ~~bill~~ <sup>is</sup> a bad piece of legislation which has far reaching effects that I don't even think the supporters of the bill realize. AB 1605

Montana was a pioneer in the creation of this award winning program in 1973, since then several other states have seen the value of such a program, and have enacted their own, most of them patterned after ours.

The program statewide picks <sup>up</sup> an average of over 6000 cars per year, taking them out of the rivers, streams, mountains, gullies, and the backyards of Montana. For the most part these are rusted, wrecked hulks that the private wrecking facilities either do not want, or do not want to incur the costs to retrieve them.

The program has picked up over 150,000 of these vehicles since it's authorization in 1973, and over 155,000 tons of vehicles have been recycled through this program. These figures represent only a portion of the total number of vehicles that have been recycled as a result of the program. Through the statutory powers of the program it has been responsible for thousands more being removed as unshielded junk vehicles.

The program uses No general funds <sup>it</sup> ~~and~~ is supported by a small paid fee when titling or registering a vehicle and the crushing fees. For less than the cost of candy bar each year Montanans can not only have unwanted vehicles hauled away for recycling but can have their property rights and values protected by the statutory powers of the program.

During the house committee hearing Representative Grady stated the their was no longer a need for the program, with the number of the small tin foil cars that were built in the 70's, and with these cars starting to show up in the program by the droves now, the need for the program is not only there but will be increasing as typically these are very unattractive cars to the private facilities.

He also stated the program was not working, I don't know a lot about the other programs throughout the state but by their statistics it appears to me they are, and I do know the Missoula County program is working very well.

#### MISSOULA COUNTY PROGRAM-

I have been the coordinator of the Missoula program for almost two years now, since I started I have found the program to be well accepted and appreciated by the residents of Missoula and Montana, especially the people in the outlying areas where we are their only way of getting rid of their unwanted cars.

Since the program started, over 7500 vehicles have been collected by the Missoula program, over 800 of these have been removed from the rivers and streams, and more than that have been hauled out of the mountains and gullies in the county.

During fiscal year 1993, 321 vehicles were picked up by the program, in fiscal year 1994, 517 were collected, since we crushed our yard out last summer we have picked up 425 and will probably have hauled close to 600 by the end of the fiscal year. It is obvious the need is still there and it is increasing.

Of the 714 vehicles we crushed last summer 313 or 44% of them were hauled from the outlying areas within the County, If this program is eliminated those cars will likely remain there, as they would be too costly for private yards to retrieve.

During this past year I have responded to 47 Junk Vehicles complaints involving 96 vehicles. During the 1994 fiscal year I sent out 325 letters or notices of violation on 454 other junk vehicles which were removed. Only about 25 of these were turned over to the program, the others I can only assume went to the private yards. Therefore in 1994 alone the program was responsible for over 900 less junk vehicles laying around Missoula County. At this rate along with the 600 + from this year it would not take very long for the effects of eliminating the program to start showing up.

The Missoula program has also hauled off several hundred abandoned junk vehicles since its beginning, junk cars that were just abandoned on the streets of Missoula and the highways in Missoula County, in fact about a month ago I had a burned out little car abandoned in front of Senator Van Valkenburgs home hauled off. If this bill passes these cars will remain where they are as the Sheriff's office abandoned vehicle program is not responsible for abandoned junk vehicles and I was told could not afford to and would not deal with them. Without this program Fred would have had no legal way of getting rid of this car.

#### ASCETICS -

A Person doesn't have to drive very far outside of Montana's borders to see what the effects of eliminating this program would be, Montana residents have become accustom to the natural beauty of Montana. They have also become accustomed to the lack of junk vehicles. Often when I tell someone what I do for a living they always seem to tell me " we don't have junk vehicles here in Montana, if you want to see some junk vehicles go to Washington, or go to the Dakotas, or go back east or to Canada. They always seem to notice the junk vehicles in these other areas, and they also notice how few of them we have here in Montana.

Our States economy depends a great deal on tourism, people come from all over the country and all over the world to see the natural beauty of the Big Sky Country. If this program is eliminated, and when the junk vehicles start to pile up, especially in the remote areas that tourists like to visit, how will this effect our tourism trade. How will these thousands of vehicles leaking fluids while they sit, effect our land and our water. I don't think the results will be very positive. In a state that restricts the size of its billboards to protect and enhance the beauty of our state I find it hard to believe we would allow junk vehicles to spoil our scenery.

#### WRECKING FACILITIES -

At present I am pretty lucky as far as wrecking facilities go. In Missoula County we have 17 Wrecking Facilities, all of which adhere to the junk vehicle laws real well.

Out of these 17 yards though all but 5 of them deal mostly in specialty cars, Semi's, collector cars, antiques, trucks etc. or take in very few vehicles. I have talked to them during my inspections about our program and they all agree there is a great need for the program and for the most part have no use for the types of cars we haul in. As Terry from AC auto told me "we need each other". For the most part the private yards take the cars they want and we pick up the rest. They have pretty much assured me that if the program is eliminated the majority of the vehicles we pick up will remain where they are as they are not worth the expense of hauling them in. They do not feel we are in competition with each other but more or less view it as a partnership, and it is working out pretty well.

Only 1 yard has ever expressed any interest in the vehicles we get, but last winter when I showed him our yard he lost interest pretty fast, he admitted most of them weren't worth hauling in. Maybe this is why the Montana Automobile Dismantelers and Recyclers Association has gone on record as opposing this bill, the wrecking facilities don't want the cars we pick up but they also don't want them left scattered all over the state.

#### THE BILL-

The proposed changes in this bill repeals all of the administrative rules which are for the most part the rules of the junk vehicle game. According to my County attorneys office, the Counties even if they could afford to have a junk vehicle program do not have the authority to adopt this type of rules. This leaves the only shielding requirements at (61-3-211 section 7 - Shielding means the construction or use of fencing or man-made or natural barriers to conceal junk vehicles from view) this means old refrigerators, old box cars or even junk trailer houses could be used for shielding their facilities and the counties would be powerless to stop them as the height, density and materials standards would be gone. Its also removes the requirement that the wrecking facilities be inspected (75-10-521 section 5). At present they are inspected at least once per year.

If this bill passes, wrecking facilities will, other than having to get a license, be on their own, to police themselves and shield themselves with whatever they choose. They will be put on the honor system.

The only inspections the law would allow or require is from the Dept of Justice to look at their records, Terry at AC Auto told me it has been four years since they made there last inspection. The currant version also permits the County to charge whatever they want for licensing a facility, could this be \$5000 or \$10,000 for a license, afterall under these conditions a County would be better off not to have any wrecking facilities.

EXHIBIT 6  
DATE 3-28-95  
HB 605

~~PRIORITIZATION~~  
Privatization  
PRIORITIZATION OF THE JUNK VEHICLE PROGRAM-

During the Committee hearings, this bill was referred to by Representative Grady as the privitation of the Junk Vehicle Business. For the most part the Junk Vehicle Program is better than privatized. Right now the private wrecking facilities can and do pick up the majority of the junk vehicles, they pick up the heaviest and most valuable vehicles and leave the shells, and worthless ones to the program to haul. Everyday in the Missoulia there is an add from one of our yards advertising they will pick up junk vehicles, there used to be two yards that did this but one quit as there wasn't enough money in it and went to hauling firewood.

Also most counties on their vehicle releases suggest that the person check with the private yards first as some will pay them for the car.

Whenever I send out a letter on a Junk Vehicle I include a pamphlet which explains the junk vehicle laws and it also states READ THE PORTION OF THE PAMPHLET.

At present Pacific Hide and Fur in Missoula is paying \$15.00 per ton for vehicles, when we crushed our county yard last summer our vehicles averaged 1,894 pounds each, at this price each vehicle would have brought \$14.20 per vehicle. Now you can see why the private yards will not go very far out of their way to pick up the type of vehicles we get. Most of the programs in the state have contracted with either private wrecking facilities or towing companies to haul the Junk Vehicles for their programs and I think in some cases they rent storage space from private yards.

In Missoula County we contract with a local towing company to haul the cars, when he hauls a car from in Missoula, this car that if we just gave it to him would be worth \$14.20 he is paid \$25.00 for hauling it to our yard. When he hauls one of these \$14.20 cars from Seeley Lake, with the mileage, the trip is worth \$75 to \$85.

The private sector is making more money under the current system, than if we just gave them every car released to us. If the program is eliminated a few of the private yards may, by skimming some of the cream off of the junk vehicle business be able to make a little more, but the private sector as a whole will lose, as will every citizen in Montana who has paid into the program.

The three gentlemen who testified in favor of the bill claimed they would<sup>be</sup> happy to haul away all of the junk vehicles free of charge. I find this hard to believe. In fact as they are in the business to make money, if this program is lost how long would this free hauling go on, once they have the people of Montana over a barrel, they can charge what ever they want and the people will have the choice of either paying it, keeping the car or dumping it on someone else's ground, this could be yours or mine.

Montanans have invested millions of dollars into the infrastructure of the junk vehicle program, if eliminated this will all be lost. if the program is ever reauthorized, which I think the public will demand, whether it be 2 years or 10 years, this infrastructure will be gone, used for something else and will have to be replaced. It would take several years to rebuild the program to what is today. Worse than losing this infrastructure is losing some pretty good people, who will lose their jobs or move on to something else at the state level as well as the county level. These people have worked very hard for the people of Montana to create, administer, and follow thru with this program to make it an effective and cost efficient program. They will be a lot harder to replace than the equipment will be.

One of the representatives suggested the true purpose of this bill is to rob the surplus in the Junk Vehicle Fund as was done in 1987 for use in the general fund,



I find this hard to believe that our lawmakers would eliminate the entire program just for the money that they can appropriate anyway. You can rob the bank without killing the tellers. The program can survive without it as it did in 1987.

EXHIBIT 1  
DATE 3-28-95  
HB 605

#### LOCAL GOVERNMENT -

If this bill is passed and the program is eliminated it would not only have an adverse effect on the ascetics of our state, <sup>but</sup> the private sector who it is claimed to help will lose, <sup>AND</sup> the counties and cities will lose. They will doubtfully be able to afford to maintain the program without any sources of revenue.

With their main source of revenues , property taxes being limited and whittled away at they will have no choice but to greatly reduce or eliminate the local programs. This will result in a lot of laws on the books that there is nobody to enforce, and the big losers will be the people of Montana who have paid into the program so they could have this service available to them.

#### IN SUMMARY -

In summary if this program is eliminated who will it benefit, <sup>possibly a</sup> small number of wrecking facilities will be able gain a few more vehicles to crush. And by getting the people of Montana over a barrel they will be able to charge them whatever they want to do this. And everyone registering a vehicle will save the price of a candy bar each year.

WHO WILL LOOSE- *if this program is eliminated*

Montana's environment will loose

Montana's <sup>NATURAL BEAUTY</sup> ~~ascetics~~ will loose

Every County and City Government will loose

The tourist industries will loose

The private sector as a whole will loose

And each and every person living and working here in Montana who has sent their lawmakers here to Helena to protect them and their interests will loose, through lower property values, higher taxes in other areas and the loss of a beautiful place to live.

Therefore I would ask each and every one of you Senators of the Local Government Committee to defeat this bill, ~~right here in committee~~ as a bill that will have an adverse effect on Montana and every person living in, working in or visiting Montana.

THANK YOU

## FACT SHEET

## Statewide Motor Vehicle Recycling &amp; Disposal Program

OVERVIEW

The 1973 Montana Legislature passed the Motor Vehicle Recycling & Disposal Act, commonly referred to as the state junk vehicle law. For more than twenty years now, the law has served to recycle many thousands of tons of scrap steel and, in the process, remove unsightly, rusted "junkers" from our landscape. Montana's program is recognized by the Council of State Governments as a model program which other states may wish to emulate. It provides valuable services to the citizens of Montana in a reliable, inexpensive and efficient manner, through a partnership between the state, county governments and private businesses. The program's main features include:

- requiring the 200+ motor vehicle wrecking facilities to be licensed and screened from public view;
- requiring all junk vehicles to be screened from public view;
- providing funding for county junk vehicle programs (in every county) to administer and enforce the law and rules and to offer a free junk vehicle disposal service for the public; and
- arranging for the crushing and transportation to scrap steel recycling facilities of all of the junk vehicles collected by the counties in their junk vehicle graveyard sites.

CLARIFICATION OF ISSUES RAISED BY HB 605Privatization of Junk Vehicle Management

- Private motor vehicle wrecking facility operators are not in business to provide a public service; they operate to make a profit. They obtain vehicles which have usable parts for resale value (i.e., newer model vehicles which have not been stripped of their salable parts).
- Vehicles collected by the Motor Vehicle Recycling & Disposal Program are older, often stripped vehicles which have little or no commercial value. The program does not compete with private auto salvage businesses; each deals with a different category of junk vehicles. (There are currently 5,300 junk vehicles stored in the 46 county motor vehicle graveyard sites; these represent less than one year's accumulation of unwanted junkers--those without parts resale value).
- On the average, it costs \$50-\$60 to collect a junk vehicle and transport it to a county graveyard site; today's average scrap metal value for a junk vehicle is \$28-\$30. Any private wrecking facility operator attempting to provide the same

collection services for those junk vehicles without parts resale value obviously would not be able to operate at a profit.

- The statewide junk vehicle program currently utilizes private enterprise to a high degree--greater than 70% of the counties employ private haulers to transport junk vehicles to the graveyard sites, and DHES contracts with private vendors to remove vehicles from the county graveyards and transport them to steel shredding mills.
- If HB 605 should become law, there will be a resulting increase in the numbers of junk vehicles strewn around the countryside throughout Montana.

#### County Implementation of Junk Vehicle Management

- HB 605 does not entirely eliminate the Junk Vehicle Program; it shifts the burden to the counties and makes a collection program optional in each county.
- Counties would have to license motor vehicle wrecking facilities and would also be obligated to perform inspections, respond to complaints, enforce compliance with the junk vehicle shielding requirements of the law, and bring action against violators.
- Viable funding for county programs would no longer exist; the counties' only funding source under the law would be motor vehicle wrecking facility license fees.
- Even a license fee of \$500-\$1000 per year would not fund county programs at the level needed to be effective. Some counties would have no funding source at all, since they have no private motor vehicle wrecking facilities within their jurisdictions.
- In general, county implementation of the program would be highly variable from county to county and would be inadequately funded by the revenue source provided for in HB 605.

#### Should the Existing Statewide Program be Eliminated?

- The existing junk vehicle program functions well; it is nationally recognized as being an exemplary state recycling program.
- The program provides services which Montana citizens appreciate and value. These services are not conducive to full privatization, nor to a shift exclusively to county-level implementation.
- The program was needed in 1973; it is still needed, useful and effective in 1995.

Jim Kembel, City of Billings

SENATE LOCAL GOVT. COMM.

SENATE BILL 8

DATE 3-28-95

BILL NO. HB 605

HB 605 Oppose

- The proposed legislation would have significant impact on those individuals who have limited funds or no method to dispose of a junk vehicle.
- The Yellowstone County Junk Vehicle Program is significantly used by the City of Billings to dispose of junk vehicles on private property and public streets.
- The proposed legislation would eliminate the effectiveness of disposing of junk vehicles.
- Junk vehicles not having salvageable parts are not desired by wrecking yards and thus the vehicles would likely remain creating long-term problems.
- It takes approximately \$60 to prepare a junk vehicle for disposal and many individuals would spend this amount of money on vehicles of no use to them.
- Larger auto salvage yards in Yellowstone Co. do not support the privatization of the junk vehicle program and thus it is questionable as to its potential success.
- The City feels the current program works well and thus serves the needs of the community.

DATE March 28, 1995

SENATE COMMITTEE ON Local Government

BILLS BEING HEARD TODAY: HB 605

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
Bob Robinson	DXKS	605		X
Bob Gilbert	MT TOW TRUCK ASSN. MT AGTS DISMANTLERS	605		X
Ron Miller	Green Meadow Salvage	605		X
Dan Allen	City Towing	605		X
Terry Murphy	Lake County	605		X
Rafael H. Dietz	Hellog Stone Dietz Auto	605		X
James Olsen	Palson Auto Salvage	605		X
Myron G Mackay	Ace Towing - Helena	605		X
James Olsen	Palson Auto Salvage	605		X
Bill Sparr	Sparr's Towing - Missoula	605		X
Michael Nager	Nager And Son	605		X
John Richards	Red Wrecker Service	605		X
Dan Powers	Butte - Silver Bros	605		X
William W Kelly	Walker & Co Helena	605		X

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 3-28-95

SENATE COMMITTEE ON LOCAL Govt

BILLS BEING HEARD TODAY: HB 605

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
Richard Corrigan	Missoula County	605		X
JACK BROWN	BROWN'S Towing	605		X
Glen Martin	F-90 Towing	605		X
Charles Kellough	Brown's Towing	605		X
Loretta A Miller	Green Meadow Auto Salvage	605		X
Steve Maligan	Moltzan's Auto Salvage	605		X
Jim Johnston	Butte-Silver Bow	605		X
Mike Shea	Butte-Silver Bow	605		X
GARY Keeler	BUTTE	605		X
John Shontz	MT ASSOC REALTORS	605		X
Larry Zschender	Cascade/City of Falls	605		X
Chen/PSOR Brooks	Yellowstone CT	605		X

## VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE

3/28

SENATE COMMITTEE ON

HB 605

BILLS BEING HEARD TODAY:

&lt; ■ &gt;

PLEASE PRINT

&lt; ■ &gt;

Check One

Name	Representing	Bill No.	Support	Oppose
Pete Frazier	City-Co Health	HB 605		X
Gordon Morris	MA Co	605		X
W James Kembel	City of Billings	HB 605		X
Charles Brooks	Yellowstone Co	HB 605		X
Milo Casagrande	Silver Bow	HB 605		X
Christy Johnson	Madon	HB 605		X
Roger Thorvilson	MDNES	HB 605		X
JAMES V. O'DONNELL	SELF	HB 605		✓
CLYDE S. SEATTY	Anonymous Deer Lago City	HB 605		X
DEL THIBAUT	Yellowstone Co Truck Vehicle	HB 605		X
JOHN FROM	I-90 Auto Salvage	HB 605		X
Mr. Rose	Mont Rose Garage			✓
Loren Gunther	Jefferson Co	HB 605		✓
Loyce Richards	Red wrecker	605		X

## VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY



DATE 3-28

SENATE COMMITTEE ON \_\_\_\_\_

BILLS BEING HEARD TODAY: 605

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
<i>Glenn Paladichuk</i>	<i>Richland Co.</i>	<i>605</i>		<input checked="" type="checkbox"/>
<i>Van Curnow</i>	<i>Summit Valley Auto</i>	<i>605</i>		<input checked="" type="checkbox"/>
<i>Sandy Curnow</i>	<i>Summit Valley Auto</i>	<i>605</i>		<input checked="" type="checkbox"/>

## VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY