

**MINUTES**

**MONTANA SENATE  
55th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON HIGHWAYS & TRANSPORTATION**

**Call to Order:** By **CHAIRMAN ARNIE MOHL**, on March 18, 1997, at  
3:30 PM, in Room 410.

**ROLL CALL**

**Members Present:**

Sen. Arnie A. Mohl, Chairman (R)  
Sen. Mack Cole, Vice Chairman (R)  
Sen. Larry Baer (R)  
Sen. Bob DePratu (R)  
Sen. John R. Hertel (R)  
Sen. Ric Holden (R)  
Sen. Reiny Jabs (R)  
Sen. Greg Jergeson (D)  
Sen. Linda J. Nelson (D)  
Sen. Barry "Spook" Stang (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Connie Erickson, Legislative Services Division  
Phoebe Kenny, Committee Secretary

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

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 363, HB 554; Posted 3-10-97  
Executive Action: HB 462, HB 464, HB 466, HB 363,  
HB 554

**HEARING ON HB 363**

**Sponsor:** REPRESENTATIVE SHIELL ANDERSON HD 25, LIVINGSTON

**Proponents:**

John Blacker, MT Department of Transportation

**Opponents:** None

Opening Statement by Sponsor:

REPRESENTATIVE SHIELL ANDERSON, HD 25, LIVINGSTON, HB 363 simply allows the Highway Commission to enter into agreements with local government units to exchange property interests or responsibilities for maintenance on any federal or state highway. The intent is to avoid the leap frogging that goes on between the counties and the state on portions of roadway. It is important to remember that this would only take place on mutually beneficial terms.

Proponents' Testimony:

John Blacker, MT Department of Transportation, we put this bill together to allow by mutual agreement, cities, counties or the state to enter into road swaps. We think this is a smarter way to do business.

Opponents' Testimony: NoneQuestions From Committee Members and Responses:

SENATOR LINDA NELSON, I am surprised that you can't do this already.

John Blacker, what it states is, for us to exchange ownerships of roads, it has to come before the legislature. What it says here is instead of bringing a list of 200 roads to you the transportation commission can make the final approval.

CHAIRMAN ARNIE MOHL, is this a permanent exchange?

John Blacker, that is correct.

SENATOR MACK COLE, can this be a continuous exchanging process.

John Blacker, theoretically yes it could, we don't see a lot of it happening.

SENATOR RIC HOLDEN, how would you envision the county commissioners working into this?

John Blacker, we envision the county commissioners to be the main thrust of this. It will take their approval to exchange.

Closing by Sponsor: REPRESENTATIVE SHIELL ANDERSON, there were just as many opponents in the House as there were here. This won't be a problem because the county commissioners will have to make sure it is beneficial to them as well the highway commission.

HEARING ON HB 554

Sponsor: REPRESENTATIVE DICK SIMPKINS, HD 49, Cascade

Proponents:

Jim Jacobson, MT Veteran Affairs  
Joe Brand, Veterans of Foreign Affairs  
Hal Manson, American Legion  
Brenda Nordland, MT Department of Justice

Opponents: None

Opening Statement by Sponsor:

REPRESENTATIVE DICK SIMPKINS, HD 49, Cascade, I put this bill in because in Cascade County we have a unique problem. When a military person comes in to serve at Malmstrom Air Force Base, he falls under the soldiers and sailors act, and therefore does not have to pay property tax on a vehicle, if he gives an affidavit. An in-state resident serving on Malmstrom has to pay property tax. The problem that has come up is that the person from out-of-state gets an affidavit, does not pay property tax and just before he leaves, he becomes a resident by signing a voter registration card, so when he is out-of-state he does not have to pay property tax. The big problem is that these people also file for in-state hunting and fishing licenses. They have the best of both worlds and Cascade County is losing money. The bill changes this situation. Those people who enter military service from Montana can be exempt from property taxes. All others are required to pay.

Proponents' Testimony:

Jim Jacobson, MT Veteran Affairs, we are in support of this bill. It takes care of the Montana kids who join the military. When they are assigned outside the state they are allowed to get that break and advertise that they are a resident of the great state of Montana. Thank you.

Joe Brand, Veterans of Foreign Wars, we support this legislation. This covers up a loophole so that only Montanans will be covered under this act. We support this whole heartedly. Thank you.

Hal Manson, American Legion, we believe this is very good legislation because our primary purpose is to take care of our young Montana people who join the military. We are proud of them for going and we hope they are proud of Montana when they are elsewhere. We would like to see them have Montana plates when they are elsewhere. We recommend a do pass on this bill. Thank you.

Brenda Nordland, MT Department of Justice, we support this bill. This bill requires very little change. We will rewrite the

application to recognize the incentive program for residents who enter active military service during their residency in the State of Montana. The fiscal note says we have had 1300 military registrations in the past year. We think it might drop as a result of this bill because many would be disqualified. This document that we require must be signed by the officer of the military person seeking this special registration. We believe this keeps everyone honest. (EXHIBIT 1).

Opponents' Testimony: None

Questions From Committee Members and Responses:

SENATOR BOB DEPRATU, a military person that had residence outside the state are allowed to drive on their state of residence plates while they are stationed here, are they not?

Brenda Nordland, MT Department of Transportation, That is my understanding.

SENATOR DEPRATU, if a person is a Montana resident and has made use of the exempt plate, and is discharged in June and his license plate expires in September, they wouldn't have to do anything as far as paying taxes until the plate came due, is that correct?

Brenda Nordland, that is correct.

Closing by Sponsor: REPRESENTATIVE DICK SIMPKINS, this is a simple up-front bill. It takes care of the military personnel outside of the state. The only ones that will have a problem with this is the person that moved into the state, went into military service in the state but had not been a resident of the state. I think those are very few. Cascade County has lost \$648,000 a year so we appreciate this change. Thank you.

EXECUTIVE ACTION ON HB 462

Amendments: HB046201.ACE

Motion: SENATOR HERTEL MOVED TO CONCUR IN HB 462

Motion: SENATOR COLE MOVED TO AMEND HB 462. (EXHIBIT 2)

Discussion:

SENATOR MACK COLE, this amendment is very simple. It moves the effective date of HB 462 to July 1, 1999.

SENATOR LINDA NELSON, would you explain why you are making this amendment.

**SENATOR COLE**, at this time there seems to be a lot of confusion. Some people said there is a possibility that they could work this out if they had time, so I indicated I would try to do that.

**SENATOR "SPOOK" STANG**, I would rather see it the year 2001 for the fact that by the end on 1997 everybody in the state should have had to replace their tanks. I have talked to a number of fuel distributors across the state that said they could probably live with it if it did that because it gave them the opportunity to pay off at least a major portion of the tanks. I think that you would be defeating the whole purpose of the people who brought this bill in because if you end up with one company because others couldn't compete, there is no incentive to keep the price down.

**Vote:** The amendment **PASSED WITH SENATOR STANG AND SENATOR NELSON VOTING NO.**

**Motion:** **SENATOR COLE MOVED HB 462 BE CONCURRED IN AS AMENDED.**

**Discussion:**

**CHAIRMAN ARNIE MOHL**, I don't feel the bill touches the problem. I am not in favor of setting prices. Everything I do is competitive. I feel that everyone else should compete too. We are not touching the rack prices and that is the real problem with it. I can not support this bill, and hope that someone will come with a bill that addresses the problem.

**SENATOR DEPRATU**, I just have a feeling that if this bill passed we would wind up with two chains in the state, and still not have solved the problem that the people are concerned about. I too am in a business that is about as competitive as you can find. I believe in the free market system but sometimes things get out of whack and it takes a little bit of time to straighten them out. I too hope something will come forward to address the real problem, which I don't believe this bill does.

**SENATOR COLE**, when we were listening to the proponents and opponents there seemed to be some things that I didn't understand, as far as who would be taking care of those alleged violations on it.

**Charles Brooks**, the Department of Justice and the Department of Commerce did not want the enforcement responsibilities and it was shifted down to the County Attorneys.

**SENATOR COLE**, if we could get this extend to July 1, 1999 I think that this will give both sides to work out their differences. I think we all realize that there are other problems in this bill. This may be beneficial as far as getting something done.

Motion\Vote: SENATOR RIC HOLDEN, moved TO TABLE HB 462 AS AMENDED. Roll Call Vote, 9 to 1, MOTION CARRIED WITH SENATOR COLE VOTING NO.

EXECUTIVE ACTION ON HB 464

Motion: SENATOR STANG MOVE TO DO NOT CONCUR WITH HB 464.

Discussion:

SENATOR STANG, unless there is a designation on the title how is the department supposed to know if the car is salvage or rebuilt. I don't believe that you should pay full value for these types of cars either.

SENATOR DEPRATU, there are so many different types of rebuilt vehicles. Some are good and some are not. If you look at the older Chevy and Ford Trucks some that have been rebuilt are better than when they are new. I don't think you can determine a value for a salvage vehicle, although it should be reduced. I don't think this bill is written to address the problem.

SENATOR BAER, I was the victim of this. There are some serious problems out there with salvage vehicles getting through and being represented as good cars. This bill does not even begin to scratch the surface. I think we will introduce a bill next session to take care of the problem. If we accept the amendment the bill does not end up doing anything at all.

Motion\Vote: SENATOR GREG JERGESON MOVED TO TABLE HB 464. MOTION PASSED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 466

Motion: SENATOR NELSON MOVED TO CONCUR IN HB 466.

Discussion:

SENATOR STANG, this has been a Bozeman problem ever since I have been in the legislature. The only thing I find offensive about this bill is the way the highway department does these studies. I have some constituents in Trout Creek that are just livid that the highway department came up and raised the speed limit. I don't like the 85% theory because Montana doesn't do the same things as the rest of the state. I guess we should help Bozeman along until we can do something that really works.

CHAIRMAN MOHL, I will support the bill because I would like to find out if things will get done any faster. This will give us two years to find out and if it doesn't work we will do something.

SENATOR JERGESON, I frankly wouldn't mind seeing an amendment that would require the department to do the same number of studies that they have been doing.

Vote: THE MOTION TO CONCUR IN HB 466 PASSED WITH SENATOR BAER VOTING NO.

EXECUTIVE ACTION ON HB 363

Motion: SENATOR JERGESON MOVED TO CONCUR IN HB 363.

Discussion:

SENATOR STANG, they have done this in my area already. I am amazed they need this bill to do this.

CHAIRMAN MOHL, I think they can exchange on a temporary basis to do maintenance.

Vote: THE MOTION TO CONCUR IN HB 363 PASSED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 544

Amendments: HB055401.ACE (EXHIBIT 3)

Motion: SENATOR STANG MOVED TO CONCUR IN HB 544.

Motion\Vote: SENATOR HOLDEN MOVED TO AMEND HB 544, BY CHANGING THE DEPARTMENT OF REVENUE TO THE DEPARTMENT OF JUSTICE. (EXHIBIT 3). THE MOTION PASSED UNANIMOUSLY.


Motion\Vote: SENATOR STANG MOVED TO CONCUR IN HB 544 AS AMENDED. THE MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 4:30 P.M.



SEN. ARNIE MOHL, Chairman



PHOEBE KENNY, Secretary

AM/PK