

1 *House* BILL NO. *254*
 2 INTRODUCED BY *Fred Hemmick Suebeck Thomas*
 3 *Rasmussen*

4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE
 5 DEPARTMENT OF INTERGOVERNMENTAL RELATIONS TO REIMBURSE A
 6 CITY UP TO HALF THE OPERATING DEFICIT OF A PUBLIC
 7 TRANSPORTATION SYSTEM, AND DECLARING SUCH EXPENDITURE TO BE
 8 FOR HIGHWAY PURPOSES."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Aid for public transportation -- allocation
 12 formula -- highway purposes. (1) The department of
 13 intergovernmental relations shall allocate each year the
 14 funds appropriated for the purposes of this section among
 15 the cities of the state which operate, or contract for the
 16 operation of, public bus or other public transportation
 17 system is eligible for an allocation based upon the amount
 18 of the operating deficit of the system, as follows: the
 19 proportion of the operating deficits of all municipal public
 20 transportation systems in the state represented by the
 21 operating deficit of the applicant city, multiplied by the
 22 rate of system usage based on bus passengers per mile in the
 23 applicant city, where full usage of the system would have a
 24 value of one (1). Each applicant city shall compute its
 25 operating deficit and rate of usage for a fiscal year

1 immediately following the end of such year, and shall apply
 2 allocations received against that deficit. The department
 3 of intergovernmental relations may make rules for the
 4 keeping of accounts for, and otherwise implementing, this
 5 section.

6 (2) A city may not receive more than fifty percent
 7 (50%) of any year's operating deficit as an allocation under
 8 this section.

9 (3) Since the availability and widespread utilization
 10 of public transportation systems benefits all users of
 11 public highways and streets by decreasing traffic congestion
 12 and pavement wear, improving highway safety, and conserving
 13 fuel, the allocation of moneys appropriated from the state
 14 highway account in the earmarked revenue fund is an
 15 expenditure for operation and maintenance of public
 16 highways, streets, and roads and a highway safety program.
 17 If a court of competent jurisdiction finds that such
 18 expenditure is not for such purposes, moneys may be
 19 appropriated from the state highway account in the earmarked
 20 revenue fund only upon the affirmative vote of three-fifths
 21 (3/5) of the members of each house of the legislature.

-End-

HB 254

FISCAL NOTE

Form B1115

In compliance with a written request received February 21, 19 75, there is hereby submitted a Fiscal Note for House Bill No. 254 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill No. 254 would authorize the Department of Intergovernmental Relations to reimburse a city for up to half the operating deficit of a public transportation system. Any allocations thus made to a city could be deducted from the amount that city would receive for street improvements from the Highway ERA fuel tax revenue (Section 84-1840 (1)(b)).

ASSUMPTIONS:

1. The Department of Intergovernmental Relations could administer the proposed disbursements with existing resources. The Department has employed a Mass Transportation Specialist.

2. Billings, Butte, and Helena currently operate or contract for public transportation services with operating deficits of \$174,000, \$15,000, and \$40,000 respectively. It is assumed these deficits would continue in the future.

3. Public transportation reimbursements would be deducted from amounts allocated to cities for street improvements.

FISCAL IMPACT:

House Bill No. 254, as amended, would have no impact on state revenues or expenditures. Allocations to cities for public transportation reimbursements would reduce the amount they receive from the same fund for street improvements.

LOCAL IMPACT:

The amounts received by cities from the Highway Earmarked Revenue Account would not be changed by House Bill No. 254, although part of the money now allocated to street improvements would be allocated to public transportation.

Michael B. Billings

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: February 26, 1975

Approved by Comm.
on Local Government

HOUSE BILL NO. 254

INTRODUCED BY FAGG, KEMMIS, LUEBECK, THOMAS, RASMUSSEN

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE DEPARTMENT OF INTERGOVERNMENTAL RELATIONS TO REIMBURSE A CITY UP TO HALF THE OPERATING DEFICIT OF A PUBLIC TRANSPORTATION SYSTEM, AND DECLARING SUCH EXPENDITURE TO BE FOR HIGHWAY PURPOSES."

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

Section 1. Aid for public transportation -- allocation formula -- highway purposes. (1) The department of intergovernmental relations shall allocate each year the funds appropriated for the purposes of this section among the cities of the state which operate, or contract for the operation of, public bus or other public transportation system is eligible for an allocation based upon the amount of the operating deficit of the system, as follows: the proportion of the operating deficits of all municipal public transportation systems in the state represented by the operating deficit of the applicant city, multiplied by the rate of system usage based on bus passengers per mile in the applicant city, where full usage of the system would have a value of one (1). Each applicant city shall compute its operating deficit and rate of usage for a fiscal year

immediately following the end of such year, and shall apply allocations received against that deficit. The department of intergovernmental relations may make rules for the keeping of accounts for, and otherwise implementing, this section.

(2) A city may not receive more than fifty percent (50%) of any year's operating deficit as an allocation under this section. ANY ALLOCATION MADE TO A CITY UNDER THIS ACT MAY BE DEDUCTED FROM THE FUNDS THAT CITY RECEIVES PURSUANT TO THE PROVISIONS OF SECTION 84-1840(1)(B).

(3) Since the availability and widespread utilization of public transportation systems benefits all users of public highways and streets by decreasing traffic congestion and pavement wear, improving highway safety, and conserving fuel, the allocation of moneys appropriated from the state highway account in the earmarked revenue fund is an expenditure for operation and maintenance of public highways, streets, and roads and a highway safety program. If a court of competent jurisdiction finds that such expenditure is not for such purposes, moneys may be appropriated from the state highway account in the earmarked revenue fund only upon the affirmative vote of three-fifths (3/5) of the members of each house of the legislature.

-End-

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-End-

March 20, 1975

SENATE COMMITTEE ON LOCAL GOVERNMENT

AMENDMENTS TO HOUSE BILL NO. 254

That House Bill No. 254, third reading, be amended as follows:

1. Amend title, line 6.
Following: "CITY"
Insert: "or county"
2. Amend page 1, section 1, line 15.
Following: "cities"
Insert: "or counties"
3. Amend page 1, section 1, line 24.
Following: "city"
Insert: "or county"
4. Amend page 2, section 1, line 6.
Following: "city"
Insert: "or county"
5. Amend page 2, section 1, line 13.
Following: "HIGHWAYS"
Insert: "in addition to any funds currently being allocated
to cities and counties"

April 16, 1975

COMMITTEE OF THE WHOLE

SENATE AMENDMENTS TO HOUSE BILL NO. 254

That House Bill No. 254, third reading (second printing of 2/27), be amended as follows:

1. Amend the title, line 7.
Following: "SYSTEM,"
Strike: "AND"
Insert: "providing for allocation of appropriated monies to the counties for transportation purposes,"
2. Amend the title, line 8.
Following: "PURPOSES"
Insert: ", and appropriating \$300,000 from the earmarked revenue fund highway account for the purposes of this act"
3. Amend page 1, section 1, line 13.
Following: "year"
Insert: "one-half (1/2) of"
4. Amend page 1, section 1, line 17.
Following: "system"
Insert: ". A city"
5. Amend page 2, section 1, line 3.
Following: "deficit."
Insert: "One-half (1/2) of the funds appropriated for the purposes of [this section] shall be paid by the state treasurer to the counties of the state in the manner provided in section 84-1840 (1) (a). Monies distributed to counties under [this section] shall be used by the counties for highway or other transportation purposes."
6. Amend page 2, section 1, lines 8 through 13.
Following: "section."
Strike: lines 8 through 13 in their entirety
7. Amend page 3, section 1, line 1.
Following: line 1
Insert: "Section 2. There is appropriated three hundred thousand dollars (\$300,000) from the earmarked revenue fund, highway account, for the biennium ending June 30, 1977, to be allocated for the purposes of [section 1] of this act."

HOUSE BILL NO. 254

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A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE DEPARTMENT OF INTERGOVERNMENTAL RELATIONS TO REIMBURSE A CITY OR COUNTY UP TO HALF THE OPERATING DEFICIT OF A PUBLIC TRANSPORTATION SYSTEM, AND DECLARING SUCH EXPENDITURE TO BE FOR HIGHWAY PURPOSES."

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Section 1. Aid for public transportation -- allocation formula -- highway purposes. (1) The department of intergovernmental relations shall allocate each year the funds appropriated for the purposes of this section among the cities OR COUNTIES of the state which operate, or contract for the operation of, public bus or other public transportation system is eligible for an allocation based upon the amount of the operating deficit of the system, as follows: the proportion of the operating deficits of all municipal public transportation systems in the state represented by the operating deficit of the applicant city, multiplied by the rate of system usage based on bus passengers per mile in the applicant city, where full usage of the system would have a value of one (1). Each applicant city OR COUNTY shall compute its operating deficit and rate

of usage for a fiscal year immediately following the end of such year, and shall apply allocations received against that deficit. The department of intergovernmental relations may make rules for the keeping of accounts for, and otherwise implementing, this section.

(2) A city OR COUNTY may not receive more than fifty percent (50%) of any year's operating deficit as an allocation under this section. ANY ALLOCATION MADE TO A CITY OR COUNTY UNDER THIS ACT MAY SHALL BE DEDUCTED FROM THE FUNDS THAT--CITY--RECEIVES--PURSUANT--TO--THE--PROVISIONS--OF SECTION 64-1040(1)(B), ALLOCATED FROM THE EARMARKED REVENUE ACCOUNT FOR HIGHWAYS FOR NONCONSTRUCTION PROGRAMS OF THE DEPARTMENT OF HIGHWAYS IN ADDITION TO ANY FUNDS CURRENTLY BEING ALLOCATED TO CITIES AND COUNTIES.

~~(3)--Since-the-availability-and-widespread-utilization of-public-transportation-systems-benefits-all-users-of public-highways-and-streets-by-decreasing-traffic-congestion and-pavement-wear,improving-highway-safety,and-conserving fuel,the-allocation-of-moneys-appropriated-from-the-state highway-account-in-the-earmarked-revenue-fund-is-an expenditure-for-operation-and-maintenance-of-public highways,streets,and-roads-and-a-highway-safety-program if-a-court-of-competent-jurisdiction-finds-that-such expenditure-is-not-for-such-purposes,moneys-may-be appropriated-from-the-state-highway-account-in-the-earmarked~~

- 1 ~~revenue--fund--only--upon--the--affirmative--vote--of--three--fifths~~
- 2 ~~(3/5)--of--the--members--of--each--house--of--the--legislature.~~

~~-End-~~