

1 H BILL NO. 340
 2 INTRODUCED BY Al Baeth by request
 3 Collison

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PORTION OF
 5 THE FUEL TAX FOR DEVELOPMENT AND MAINTENANCE OF SNOWMOBILE
 6 FACILITIES; AMENDING SECTION 32-2601, R.C.M. 1947."
 7

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

9 Section 1. Section 32-2601, R.C.M. 1947, is amended to
 10 read as follows:

11 "32-2601. Distribution and use of proceeds of gasoline
 12 dealers' license tax. (1) All money received in payment of
 13 license taxes under the Distributor's Gasoline License Tax
 14 Act, except those amounts paid out of the department of
 15 revenue's suspense account for gasoline tax refund, shall be
 16 used and expended as provided in this section. So much of
 17 that money on hand at any time as may be needed to pay
 18 highway bonds and interest thereon when due and to
 19 accumulate and maintain a reserve therefor, as provided in
 20 laws and in resolutions of the state board of examiners
 21 authorizing such bonds, shall be deposited in the highway
 22 bond account in the sinking fund established by section
 23 79-410. Subject to that provision, ~~six-tenths-of-one-per-~~
 24 ~~cent-(.6%)~~ 9/10 of 1% of all money shall be deposited in the
 25 state park account in the earmarked revenue fund. All of the

1 remainder of the money shall be used and expended by the
 2 department of highways on the federal-aid highways in this
 3 state selected and designated under the Federal-Aid Act,
 4 approved July 11, 1916, and the Federal Highway Act,
 5 approved November 9, 1921, and all amendments thereto, and
 6 on highways leading from each county seat in the state to
 7 the federal highway system of federal-aid roads where the
 8 county seat is not on the system and on the other roads
 9 which have been or may be authorized by the laws of Montana
 10 and for collection of the license taxes and the enforcement
 11 of the Montana highway code under ~~article~~ Article VIII,
 12 section ~~6~~ of the constitution of this state. The department
 13 shall, in expending this money, carry forward construction
 14 from year to year, using the money expended through the
 15 matching up of federal-aid allotments to Montana upon the
 16 federal highway system in the various parts of the state in
 17 accordance with sections 32-2605 through 32-2607; nothing in
 18 this act conflicts with those federal-aid highway acts and
 19 the rules by which they are administered. The department may
 20 enter into ~~co-operative~~ cooperative agreements with the
 21 national park service and the federal highway administration
 22 for the purpose of maintaining national park approach roads
 23 in Montana.

24 (2) Money credited to the state park account in the
 25 earmarked revenue fund shall be used only for the creation,

1 improvement, and maintenance of state parks where motor
2 boating is allowed, except for the payment of refunds under
3 section 84-1855. The legislature hereby finds as a fact that
4 of all the fuel sold in the state for consumption in
5 internal combustion engines, not less than ~~six-tenths-of-one~~
6 ~~per-cent-(+6%)~~ 6/10 of 1% is used for propelling boats on
7 waterways of this state.

8 (3) Money credited to the snowmobile account may be
9 used only to develop and maintain facilities open to the
10 general public at no admission cost. The legislature finds
11 that of all fuels sold in this state for consumption in
12 internal combustion engines, not less than 6/10 of 1% is
13 used for propelling snowmobiles on public lands of this
14 state."

-End-

STATE OF MONTANA

REQUEST NO. 184-77

FISCAL NOTE

Form BD-15

In compliance with a written request received Janauary 24, 19 77, there is hereby submitted a Fiscal Note for House Bill 340 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

This bill provides that a portion of net gasoline tax collections be set aside for the development and maintenance of snowmobile facilities.

ASSUMPTIONS

1. Gasoline consumption will increase between 2% and 3% for each fiscal year 77,78, and 79. Thus there will be taxable gallons of gasoline amounting to: 489.490M-499.135M in FY 78; 499.280M-514.109M in FY 79.
2. 2% of the first 6¢ tax collected will be deducted (evaporation allowance).
3. Administrative costs will remain unchanged.
4. Refunds for off-road use will be \$2.7M in both FY 78-79.
5. The full 6/10% will be available to the snowmobile fund each year. (Net Revenue)
6. The bill will be amended as suggested in the technical note.

FISCAL IMPACT

Gross gasoline tax collections		
less refunds	<u>\$34.684M-\$35.384M</u>	<u>\$35.395M-\$36.527M</u>
Amount set aside for snowmobile facilities by proposed legislation	<u>\$208,000-\$212,000</u>	<u>\$212,000-\$219,000</u>

LONG-RANGE EFFECTS

If the full six-tenths of one percent of net collections is available to the snowmobile fund each year approximately \$210,000 would be placed in it annually during the biennium and subsequent fiscal years.

TECHNICAL NOTE

The proposed legislation does not set up a snowmobile account within any earmarked revenue fund; neither does it specify how much money should be placed in the snowmobile account. Bill should be amended as follows at line 25, page 1: "state park account and 6/10 of 1% of all money shall be deposited in the snowmobile account in the earmarked revenue fund."

PREPARED BY DEPARTMENT OF REVENUE

Richard L. Deary for
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 1-26-77

Approved by Committee
on Taxation

HOUSE BILL NO. 340

INTRODUCED BY R. BAETH, ELLISON (BY REQUEST)

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A PORTION OF THE FUEL TAX FOR DEVELOPMENT AND MAINTENANCE OF SNOWMOBILE FACILITIES; AMENDING SECTION 32-2601, R.C.M. 1947."

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

Section 1. Section 32-2601, R.C.M. 1947, is amended to read as follows:

"32-2601. Distribution and use of proceeds of gasoline dealers' license tax. (1) All money received in payment of license taxes under the Distributor's Gasoline License Tax Act, except those amounts paid out of the department of revenue's suspense account for gasoline tax refund, shall be used and expended as provided in this section. So much of that money on hand at any time as may be needed to pay highway bonds and interest thereon when due and to accumulate and maintain a reserve therefor, as provided in laws and in resolutions of the state board of examiners authorizing such bonds, shall be deposited in the highway bond account in the sinking fund established by ~~section~~ 79-410. Subject to that provision, ~~six-tenths-of-one-per-cent (-6%)~~ 6/10 3/10 of 1% of all money shall be deposited in the state park account in the earmarked revenue fund. All

of the remainder of the money shall be used and expended by the department of highways on the federal-aid highways in this state selected and designated under the Federal-Aid Act, approved July 11, 1916, and the Federal Highway Act, approved November 9, 1921, and all amendments thereto, and on highways leading from each county seat in the state to the federal highway system of federal-aid roads where the county seat is not on the system, and on the other roads which have been or may be authorized by the laws of Montana and for collection of the license taxes and the enforcement of the Montana highway code, under ~~article~~ Article VIII, section 6, of the constitution of this state. The department shall, in expending this money, carry forward construction from year to year, using the money expended through the matching up of federal-aid allotments to Montana upon the federal highway system in the various parts of the state in accordance with ~~sections~~ 32-2605 through 32-2607; nothing in this act conflicts with those federal-aid highway acts and the rules by which they are administered. The department may enter into ~~co-operative~~ cooperative agreements with the national park service and the federal highway administration for the purpose of maintaining national park approach roads in Montana.

(2) Money credited to the state park account in the earmarked revenue fund shall be used only for the creation,

1 improvement, and maintenance of state parks where motor
2 boating is allowed, except for the payment of refunds under
3 section 84-1855. The legislature hereby finds as a fact that
4 of all the fuel sold in the state for consumption in
5 internal combustion engines, not less than ~~six-teenths-of-one~~
6 ~~per cent (.6%)~~ 6/10 of 1% is used for propelling boats on
7 waterways of this state.

8 (3) Money credited to the snowmobile account may be
9 used only to develop and maintain facilities open to the
10 general public at no admission cost, AND TO PROMOTE
11 SNOWMOBILE SAFETY 15% OF THE AMOUNT DEPOSITED IN THE FUND
12 EACH YEAR IS TO BE DEVOTED TO THE SNOWMOBILE SAFETY PROJECT
13 THE FIRST 2 YEARS AND 10% THEREAFTER. The legislature finds
14 that of all fuels sold in this state for consumption in
15 internal combustion engines, not less than ~~6/10~~ 3/10 of 1%
16 is used for propelling snowmobiles on public lands of this
17 state."

-End-

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15 revenue's suspense account for gasoline tax refund, shall be
16 used and expended as provided in this section. So much of
17 that money on hand at any time as may be needed to pay
18 highway bonds and interest thereon when due and to
19 accumulate and maintain a reserve therefor, as provided in
20 laws and in resolutions of the state board of examiners
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22 bond account in the sinking fund established by section
23 79-410. Subject to that provision, ~~six-tenths-of-one-per~~
24 ~~cent-(+6%) 6/10 3/10 6/10~~ of 1% of all money shall be
25 deposited in the state park account AND 1/10 OF 1% OF ALL

1 MONEY SHALL BE DEPOSITED IN A SNOWMOBILE ACCOUNT in the
2 earmarked revenue fund. All of the remainder of the money
3 shall be used and expended by the department of highways on
4 the federal-aid highways in this state selected and
5 designated under the Federal-Aid Act, approved July 11,
6 1916, and the Federal Highway Act, approved November 9,
7 1921, and all amendments thereto, and on highways leading
8 from each county seat in the state to the federal highway
9 system of federal-aid roads where the county seat is not on
10 the system, and on the other roads which have been or may be
11 authorized by the laws of Montana, and for collection of the
12 license taxes and the enforcement of the Montana highway
13 code, under ~~article~~ Article VIII, section 6, of the
14 constitution of this state. The department shall, in
15 expending this money, carry forward construction from year
16 to year, using the money expended through the matching up of
17 federal-aid allotments to Montana upon the federal highway
18 system in the various parts of the state in accordance with
19 sections 32-2605 through 32-2607; nothing in this act
20 conflicts with those federal-aid highway acts and the rules
21 by which they are administered. The department may enter
22 into ~~co-operative~~ cooperative agreements with the national
23 park service and the federal highway administration for the
24 purpose of maintaining national park approach roads in
25 Montana.

THIRD READING

1 (2) Money credited to the state park account in the
 2 earmarked revenue fund shall be used only for the creation,
 3 improvement, and maintenance of state parks where motor
 4 boating is allowed, except for the payment of refunds under
 5 section 84-1855. The legislature hereby finds as a fact that
 6 of all the fuel sold in the state for consumption in
 7 internal combustion engines, not less than six-tenths-of-one
 8 per-cent-(~~5%~~) 5/10 of 1% is used for propelling boats on
 9 waterways of this state.

10 ~~(3) Money credited to the snowmobile account may be~~
 11 ~~used only to develop and maintain facilities open to the~~
 12 ~~general public at no admission cost, AND TO PROMOTE~~
 13 ~~SNOWMOBILE SAFETY 15% OF THE AMOUNT DEPOSITED IN THE FUND~~
 14 ~~EACH YEAR IS TO BE DEVOTED TO THE SNOWMOBILE SAFETY PROJECT~~
 15 ~~THE FIRST 2 YEARS AND 10% THEREAFTER, FOR THE 2 YEARS~~
 16 ~~FOLLOWING JULY 1, 1977, 15% OF THE AMOUNT DEPOSITED IN THE~~
 17 ~~SNOWMOBILE FUND EACH YEAR SHALL BE USED TO PROMOTE~~
 18 ~~SNOWMOBILE SAFETY. THEREAFTER, 10% OF THE AMOUNT DEPOSITED~~
 19 ~~IN THE SNOWMOBILE FUND SHALL BE USED TO PROMOTE SNOWMOBILE~~
 20 ~~SAFETY. The legislature finds that of all fuels sold in this~~
 21 ~~state for consumption in internal combustion engines, not~~
 22 ~~less than ~~5%~~ 3/10 of 1% is used for propelling snowmobiles~~
 23 ~~on public lands of this state."~~

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