

Senate Bill 353

In The Senate

February 2, 1981	Introduced and referred to Committee on Local Government.
	Fiscal note requested.
February 9, 1981	Fiscal note returned.
February 16, 1981	Committee recommend bill do pass.
February 17, 1981	Bill printed and placed on members' desks.
February 18, 1981	Second reading do pass.
February 19, 1981	Correctly engrossed.
February 20, 1981	Third reading passed.

In The House

February 21, 1981	Introduced and referred to Committee on Local Government.
March 25, 1981	Committee recommend bill not concurred.

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Amended BILL NO. 353
Conover INTRODUCED BY *Conover* *Conover* *E. Smith*
Dilling

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR THE AUCTION OF JUNK VEHICLES BY COUNTIES; AMENDING SECTIONS 75-10-521, 75-10-531, AND 75-10-532, MCA."

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

Section 1. Section 75-10-521, MCA, is amended to read:

"75-10-521. Motor vehicle graveyards -- consolidation -- budget. (1) Each county shall acquire, develop, and maintain property for free motor vehicle graveyards. The property may be acquired by purchase, lease, or otherwise.

(2) As an alternative, the county may contract for the maintenance and operation of a motor vehicle graveyard or graveyards, but any such contract may be entered into only with a motor vehicle wrecking facility licensed under the provisions of this part.

(3) 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.

(4) When there is an accumulation of at least 200 junk vehicles in the graveyard, the county shall notify the department for disposal purposes if it does not intend to

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auction the vehicles.

(5) 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.

(6) Prior to June 15, 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 and acquisition, maintenance, and operation of the graveyard. Any proposed change in the budget or plan must be approved by the department."

Section 2. Section 75-10-531, MCA, is amended to read:

"75-10-531. Crushing and recycling or auction of junk vehicles. (1) The department shall 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 may also contract to dispose of, by crushing and recycling, junk vehicles accumulated in the yard of a motor vehicle wrecking facility. The department may so contract only upon the request of the facility and only if there is an accumulation of at least 200 vehicles at the facility.

(3) Each county motor vehicle graveyard may periodically offer for sale at auction the motor vehicles or

1 component parts of the vehicles that have accumulated in the
2 yard. The minimum bid accepted must not be less than the
3 cost to the county for the acquisition and storage of the
4 motor vehicle being offered for sale. All sales must be made
5 for the highest qualified bid, and separate bids must be
6 submitted for each motor vehicle. Notice of any auction must
7 be posted at the graveyard site at least 10 days in advance
8 of the auction, but the notice need not describe each motor
9 vehicle being offered for sale. The auction must be
10 conducted by the county graveyard sanitarian or by any
11 person appointed for such purpose by the governing body of
12 the county. All revenue from the sales shall be paid into
13 the county general fund."

14 Section 3. Section 75-10-532, MCA, is amended to read:

15 "75-10-532. Disposition of moneys collected. ~~All~~
16 ~~Except as provided in 75-10-531(3),~~ moneys received from the
17 sale of the junk vehicles or from recycling of the material
18 and all motor vehicle wrecking facility license fees and
19 fees collected as motor vehicle disposal fees shall be
20 deposited with the state treasurer to be utilized for the
21 control, collection, recycling, and disposal of junk
22 vehicles and component parts."

-End-

STATE OF MONTANA

REQUEST NO. 292-S

FISCAL NOTE

Form B-1

In compliance with a written request received February 2, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 353 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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 is an act to provide for the auction of junk vehicles accumulated in the counties' vehicle graveyards.

Assumptions

1. It is assumed that additional staff time would be required in the graveyards to prepare the vehicles as well as advertise and administer the auctions.
2. It is assumed that there will be minor costs related to rule changes.
3. It is assumed that numerous complaints will be generated because of the vehicles being returned to the communities from which they came.
4. It is assumed that the bid price for the junk vehicles would be approximately \$15 per ton.
5. It is assumed that the annual tonnage available for recycling will reduce by approximately 10% because of the local auctions.

Fiscal Impact

The 10% reduction in annual revenues available to the state of Montana will amount to approximately \$9,750. This means a reduction in revenues of \$19,500 over the biennium. The reduction will be in the Junk Vehicle Disposal Fund.

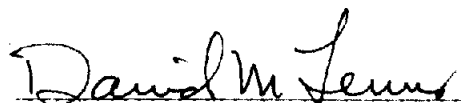
Affect on Local Government

\$26,000 will be generated by the counties per fiscal year and will come from the approximate sale of 650 tons at \$40 per ton for the component part vehicles. Expenditures for local government will be approximately \$11,200 for advertising and the administration of public auctions. This is estimated from 56 counties spending \$100 per day for two days per year to hold the auctions. In addition to these administrative costs, it is anticipated that there would be incidents of trespass and vandalism with damage to the physical properties of the graveyards in the amount of approximately \$500 per graveyard per year or \$28,000.

The net effect of the loss to the locals would then be approximately \$13,000 per year with passage of the proposed legislation.

Technical Note

Various rule changes will be necessary with the possibility of hearings.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-9-81

Approved by Comm.
on Local Government

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2 INTRODUCED BY *Conover, Anthony E. Smith*
3 *Tulliday*

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11 -- budget. (1) Each county shall acquire, develop, and
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13 property may be acquired by purchase, lease, or otherwise.

14 (2) As an alternative, the county may contract for the
15 maintenance and operation of a motor vehicle graveyard or
16 graveyards, but any such contract may be entered into only
17 with a motor vehicle wrecking facility licensed under the
18 provisions of this part.

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

23 (4) When there is an accumulation of at least 200 junk
24 vehicles in the graveyard, the county shall notify the
25 department for disposal purposes if it does not intend to

1 auction the vehicles.

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

5 (6) Prior to June 15, the county shall submit to the
6 department for approval a proposed budget for the succeeding
7 fiscal year. The budget shall be for the amounts required by
8 the county for collection costs and acquisition,
9 maintenance, and operation of the graveyard. Any proposed
10 change in the budget or plan must be approved by the
11 department."

12 Section 2. Section 75-10-531, MCA, is amended to read:

13 "75-10-531. Crushing and recycling or auction of junk
14 vehicles. (1) The department shall contract for final
15 disposition of junk vehicles accumulated in motor vehicle
16 graveyards and shall provide for crushing and recycling the
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