

SENATE BILL NO. 428

INTRODUCED BY KEATING, J. O'HARA, WINSLOW, D. O'HARA

IN THE SENATE

February 11, 1981	Introduced and referred to Committee on Labor and Employment Relations.
February 19, 1981	Committee recommend bill do pass. Report adopted.
February 20, 1981	Bill printed and placed on members' desks.
February 21, 1981	Second reading, do pass.
February 23, 1981	Correctly engrossed.
February 24, 1981	Third reading, passed. Ayes, 49; Noes, 1. Transmitted to House.

IN THE HOUSE

March 3, 1981	Introduced and referred to Committee on Labor and Industry.
March 13, 1981	Committee recommend bill be concurred in as amended. Report adopted.
March 21, 1981	Second reading, pass consideration.
March 26, 1981	Second reading, concurred in.
March 28, 1981	Third reading, concurred in as amended. Ayes, 65; Noes, 28.

IN THE SENATE

March 30, 1981

Returned from House with amendments.

April 3, 1981

Second reading, amendments concurred in.

April 6, 1981

Third reading, amendments concurred in. Ayes, 49; Noes, 0. Sent to enrolling.

Reported correctly enrolled.

1 *Senate* BILL NO. *428* *D. O'Hara*  
 2 INTRODUCED BY *Senator J. O'Hara*  
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND  
 5 CLARIFY THE PROVISIONS RELATING TO FEES CHARGED BY  
 6 EMPLOYMENT AGENCIES; AMENDING SECTIONS 39-5-303, 39-5-310,  
 7 AND 39-5-311, MCA; AND REPEALING SECTION 39-5-309, MCA."

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

10 Section 1. Section 39-5-303, MCA, is amended to read:

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-2- INTRODUCED BILL  
 SB 428

1 ~~represented by the employment agency, employment is~~  
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16 repealed.

-End-

## STATE OF MONTANA

REQUEST NO. 208-81

## FISCAL NOTE

Form BD-15

In compliance with a written request received March 7, 19 81, there is hereby submitted a Fiscal Note for House Bill 428 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 bill would impose a uniform state tax on automobiles and light trucks. The tax would be based on average trade-in value and set at a rate of 3% with a minimum tax of \$20.

Assumptions

This fiscal note differs from previous notes dealing with the various proposals for motor vehicle fee systems or uniform taxes. The automobile data base used in this note is new; it is a full count for twelve months of 1980 from the Motor Vehicle Division computer tape.

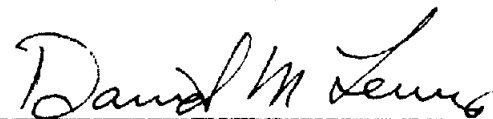
1. The average statewide mill levy applied to motor vehicles is 260 mills.
2. Under present law, the total tax base of the state would be \$2.083 billion for 1982 and \$2.263 billion for 1983.
3. The relationship between average trade-in value and average retail value is:

Age	1	2	3	4	5	6
ATI/ARV	.839	.818	.795	.767	.736	.678

4. The total taxable value of motor vehicles (in the absence of this proposal) would be 9.135% of the taxable value of the state in each year.
5. Age distribution of motor vehicles will remain constant.

Technique of Estimation

The data is used to compute total property tax paid in the base year and the total uniform vehicle tax for the base year. The relationship between the two amounts is calculated and applied to the projected property tax for 1982 and 1983 in order to compute the uniform tax for those years.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3-10-81

1. Tax at 3% of average trade-in value with \$20 minimum.

Year	Tax	Current Law	Proposed Tax	(Decrease)		(Decrease)
		Local Share		6 Mill Levy	School Levy	Local Revenue
1982	\$49.473 M	\$40.633 M	\$34.775 M	(\$1.153 M)	(\$7.687 M)	(\$5.858 M)
1983	\$53.749 M	\$44.145 M	\$37.780 M	(\$1.253 M)	(\$8.351 M)	(\$6.365 M)

2. Tax at 3½% of average trade-in value with \$20 minimum\*

Year	Tax	Current Law	Proposed Tax	(Decrease)		(Decrease)
		Local Share		6 Mill Levy	School Levy	Local Revenue
1982	\$49.473 M	\$40.633 M	\$39.474 M	(\$1.153 M)	(\$7.687 M)	(\$1.159 M)
1983	\$53.749 M	\$44.145 M	\$42.886 M	(\$1.253 M)	(\$8.351 M)	(\$1.259 M)

3. Tax at 2½% of average trade-in value with \$20 minimum\*

Year	Tax	Current Law	Proposed Tax	(Decrease)		(Decrease)
		Local Share		6 Mill Levy	School Levy	Local Revenue
1982	\$49.473 M	\$40.633 M	\$30.075 M	(\$1.153 M)	(\$7.687 M)	(\$10.558 M)
1983	\$53.749 M	\$44.145 M	\$32.674 M	(\$1.253 M)	(\$8.351 M)	(\$11.471 M)

\*An increase of \$1 in the minimum fee will produce approximately \$300,000 in local revenue.

Technical Note

For the sake of clarity, lines 22 through 25, page 1 should be changed to read:  
 "(a) trucks with a GVW-rates capacity of more... or less than 1½ tons and buses;"

Fiscal Impact to the Department of Justice

Operating Expenses:	FY 1982	FY 1983
Expenditures:		
Vehicle information tape from N.A.D.A.	\$ 400	\$ 400
Reprogramming and County Price Guide cost to update files in July of each year	700	700
Total	\$1,100	\$1,100

IMPACT OF HB 428 APPLIED TO  
CALENDAR YEAR 1980 DATA

	(A) Estimated Tax 3% Avg. Trade-In	(C) Estimated Tax (present)	(B) Local Share (present)	Gain or (Loss) for Local Gov't (A) - (B)	Total Loss (State) (C) - (B)	
er Bow	24,555	1,324,269	2,176,780	1,843,007	(518738)	(333773)
ade	52,838	2,810,438	4,659,676	3,945,192	(1134754)	(714484)
owstone	75,439	4,505,258	6,890,687	5,738,063	(1232805)	(1152624)
ouia	49,988	2,866,250	4,779,220	4,046,406	(1180156)	(732814)
s & Clark	29,582	1,698,554	2,838,850	2,403,559	(705005)	(435291)
atin	29,758	1,561,486	2,574,078	2,179,386	(617900)	(394692)
head	38,704	2,174,010	3,320,145	2,764,775	(590765)	(555370)
us	9,161	477,292	726,658	605,108	(127816)	(121550)
er River	1,847	127,618	106,511	73,848	53770	(32663)
on	6,177	334,071	401,413	317,481	16590	(83932)
lips	4,093	244,184	252,995	191,744	52440	(61251)
	12,267	721,214	885,396	700,268	20946	(185128)
lli	16,839	881,567	1,691,136	845,590	35977	(223546)
er	8,663	457,042	735,955	623,109	(166067)	(112846)
	13,696	740,136	917,386	725,569	14567	(191817)
on	8,793	545,907	747,950	610,327	(64420)	(137623)
evelt	6,355	427,157	587,927	479,748	(52591)	(108179)
erhead	6,168	389,412	424,358	326,756	62656	(97602)
teau	5,852	324,185	381,162	297,670	26515	(83492)
ey	7,371	433,973	599,001	488,785	(54812)	(110216)
e	4,498	265,664	287,586	221,441	44223	(66145)
Horn	6,860	499,093	417,466	289,443	209650	(128023)
elsshell	3,455	205,487	233,510	182,360	23127	(51150)
ne	4,657	300,364	365,268	288,894	11470	(76374)
son	4,996	305,714	335,857	258,610	47104	(77247)
era	4,839	273,407	300,219	231,168	42239	(69051)
land	9,732	682,359	601,970	428,904	253455	(173066)
il	4,662	266,882	311,068	242,930	23952	(68138)
oud	6,754	431,781	384,662	274,072	157709	(110590)
Lodge	7,562	373,498	779,420	683,811	(310313)	(95609)
n	4,819	258,878	280,545	216,020	42858	(64525)
water	4,581	247,924	272,573	209,881	38043	(62692)
sure	792	47,594	45,740	33,717	13877	(12023)
idan	4,594	286,071	311,223	239,641	46430	(71582)
er's	6,292	341,931	410,325	324,530	17401	(85795)
h Basin	2,115	117,051	128,456	98,911	18140	(29545)
ls	2,045	116,971	159,035	129,772	(12801)	(29263)
er	7,219	459,548	513,364	395,290	64258	(118074)
n	2,846	182,742	161,019	114,726	68016	(46293)
grass	2,473	143,401	172,958	136,794	6607	(36164)
ne	1,697	105,724	109,549	83,027	22697	(26522)
r	926	53,660	66,052	52,241	1419	(13811)
water	2,595	153,145	167,025	128,610	24535	(38415)
land	1,545	79,001	98,692	78,953	48	(19739)
ie	1,261	67,438	77,288	60,358	7080	(16930)
ce	2,313	134,001	165,965	132,772	1229	(33193)
er	1,709	101,553	111,423	85,796	15757	(25627)
ty	2,147	136,709	133,017	99,024	37685	(33993)
	10,725	587,135	705,666	558,118	29017	(147548)
eld	896	48,411	43,423	30,939	17472	(12484)
rson	5,136	290,802	399,628	326,097	(35295)	(73531)
x	1,082	72,370	63,691	45,380	26990	(18311)
n Valley	589	43,366	42,629	31,735	11631	(10894)
al	2,290	121,626	200,828	170,034	(48408)	(30794)
leum	462	28,363	24,934	17,766	10597	(7168)
ln	12,235	663,591	909,468	742,126	(78535)	(167342)
	549,728	\$31,537,278	\$44,866,826	\$36,850,282	(5313004)	(8016544)

Approved by Committee  
on Labor & Employment  
Relations

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2 INTRODUCED BY *Senator J. O'Hara, Windsor*  
3

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3 39-5-309--by--such--applicant--in--excess--of--the--applicable  
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HOUSE LABOR AND EMPLOYMENT RELATIONS COMMITTEE AMENDMENTS TO SB 428  
March 12, 1981

third reading copy (blue), be amended as follows:

1. Page 2, line 4.

Following: "(5)"

Insert: "Prior to using any contract in the transaction of its  
business with applicants, each employment agency shall obtain  
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