

HOUSE BILL NO. 434

INTRODUCED BY C. SMITH, J. HAMMOND,
JONES, UNDERDAL, LORY

BY REQUEST OF THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS

IN THE HOUSE

January 21, 1983	Introduced and referred to Committee on Fish and Game.
February 4, 1983	Committee recommend bill do pass. Report adopted. Statement of Intent attached.
February 5, 1983	Bill printed and placed on members' desks.
February 7, 1983	Second reading, do pass.
February 8, 1983	Considered correctly engrossed.
February 9, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 10, 1983	Introduced and referred to Committee on Fish and Game.
March 11, 1983	Committee recommend bill be concurrent in as amended. Report adopted.
March 14, 1983	Second reading, concurred in.
March 16, 1983	Third reading, concurred in. Ayes, 47; Noes, 0.

IN THE HOUSE

March 16, 1983

Returned to House with
amendments.

March 31, 1983

Second reading, amendments
concurred in.

April 1, 1983

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

HOUSE BILL NO. *434*

INTRODUCED BY *Smith, Johnson, and Jones Underdal Long*
BY REQUEST OF THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS

A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW A FISH AND WILDLIFE LICENSING AGENT TO POST SECURITY OTHER THAN A SURETY BOND IN ACCORDANCE WITH DEPARTMENT RULES; AND TO REQUIRE LICENSE AGENTS TO PAY INTEREST ON LICENSE REVENUE THAT IS REMITTED LATE; AMENDING SECTIONS 87-2-902 AND 87-2-903, MCA."

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

Section 1. Section 87-2-902, MCA, is amended to read:

"87-2-902. Bond or security of agent and preferred claim of state for license money. (1) An appointed license agent shall furnish a corporate surety bond ~~of \$1,000 or in an amount equal to the value of the licenses, permits, and certificates received for distribution; the amount to be fixed at the discretion of the director or other security as required by department rule.~~ The bond shall secure the faithful performance of the duties imposed on the license agent and the accounting for and payment to the state of all money received from the sale of hunting and fishing licenses and any permits or certificates prescribed by the department. The license agent shall properly account for all

unsold licenses, permits, and certificates annually on April 1 or at any other time at the request of the director.

(2) All money received for the sale of licenses, permits, and certificates at all times belongs to the state. In case of an assignment for the benefit of creditors, receivership, or bankruptcy, the state has a preferred claim against the assets and estate of a license agent for all money owed the state."

Section 2. Section 87-2-903, MCA, is amended to read:

"87-2-903. Compensation and duties of agents -- penalty for late submission of license money. (1) License agents, except salaried employees of the department, shall receive for all services rendered the sum of 30 cents for each license, permit, or certificate issued. ~~On or before the 10th day of each month each~~ Each license agent shall submit to the department all duplicates of each class of licenses sold ~~during the preceding month~~ and shall accompany the duplicate licenses with all moneys received for the sale of the licenses less a fee of 30 cents for each license sold. The department may designate classes of license agents and may establish a deadline for submission of license money by each class of agent. Each license agent shall keep his license account open at all reasonable hours to inspection by the department, the director, the wardens, or the legislative auditor.

1 (2) For purposes of this section, the term "license"
2 includes any license, permit, and certificate prescribed by
3 the department.

4 (3) If a license agent fails to submit to the
5 department all money received from the declared sale of
6 licenses, less the appropriate fee, by the deadline
7 established by the department, an interest charge equal to
8 the rate charged on late corporation license tax payments
9 under 15-31-502 must be assessed. Acceptance of late
10 payments with interest does not preclude the department from
11 summarily revoking the appointment of a license agent under
12 87-2-904."

-End-

Approved by Comm.
on Fish and Game

1 STATEMENT OF INTENT

2 HOUSE BILL 434

3 House Fish, Wildlife, and Parks Committee

4
5 A statement of intent is required for this bill because
6 it grants rulemaking authority to the Department of Fish,
7 Wildlife, and Parks to adopt rules to set deadlines for
8 license receipts according to different classes of license
9 agents, and setting guidelines for allowing alternative
10 forms of security for small volume license agents.

11 Section 2 of this bill proposes to allow the director
12 of the Department of Fish, Wildlife, and Parks to set
13 deadlines for the license receipts according to different
14 classes of license agents. The intent of this bill is to
15 allow the director the flexibility to recognize that there
16 are widely disparate kinds of license agents. In some
17 sparsely populated areas, the license receipts for a given
18 year are so few that the current monthly accounting
19 requirement may be unrealistic. On the other hand, in
20 heavily populated areas some license agents have extremely
21 high monthly receipts, necessitating that the money be
22 transferred promptly, on a monthly basis, to the Department.
23 The Department contemplates rules that would have deadlines
24 grounded in population base and historical demand in an
25 area.

1 Section 1 of this bill proposes to change the security
2 requirements for license agents. Currently, the law requires
3 a minimum bond of \$1,000. In reality, no bonding company
4 gives a bond for only \$1,000. The current industry standard
5 is a minimum of \$5,000. Many of the small license agents may
6 carry a total inventory of licenses far below \$5,000. In
7 those instances, where the license agent does not stand to
8 make a great deal of money on the license agency, the \$5,000
9 bonding requirement may be unduly burdensome. The proposed
10 amendment would allow the director to adjust the bonding
11 requirement to the particular circumstance of a given
12 license agent. For instance, a license agent with a large
13 inventory would be obliged to provide a bond. A license
14 agent with an inventory of less than \$1,000 may be obliged
15 to provide some other kind of security to ensure performance
16 under the law. The Department anticipates promulgating rules
17 that would allow alternative forms of security other than a
18 bond for the small volume license agent.

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3 JONES, UNDERDAL, LORY

4 BY REQUEST OF THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS

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10 THAT IS REMITTED LATE; AMENDING SECTIONS 87-2-902 AND
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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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4 (2) All money received for the sale of licenses,
5 permits, and certificates at all times belongs to the state.
6 In case of an assignment for the benefit of creditors,
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8 against the assets and estate of a license agent for all
9 money owed the state."

10 Section 2. Section 87-2-903, MCA, is amended to read:

11 "87-2-903. Compensation and duties of agents ~~==~~
12 ~~penalty for late submission of license money.~~ (1) License
13 agents, except salaried employees of the department, shall
14 receive for all services rendered the sum of 30 cents for
15 each license, permit, or certificate issued. ~~On or before~~
16 ~~the 10th day of each month each~~ Each license agent shall
17 submit to the department all duplicates of each class of
18 licenses sold ~~during the preceding month~~ and shall accompany
19 the duplicate licenses with all moneys received for the sale
20 of the licenses less a fee of 30 cents for each license
21 sold. ~~The department may designate classes of license agents~~
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23 ~~by each class of agent.~~ Each license agent shall keep his
24 license account open at all reasonable hours to inspection
25 by the department, the director, the wardens, or the

1 legislative auditor.

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3 includes any license, permit, and certificate prescribed by
4 the department.

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6 ~~department all money received from the declared sale of~~
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9 ~~the rate charged on late corporation license tax payments~~
10 ~~under 15-31-502 must be assessed. Acceptance of late~~
11 ~~payments with interest does not preclude the department from~~
12 ~~summarily revoking the appointment of a license agent under~~
13 ~~87-2-204."~~

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2 HOUSE BILL 434

3 House Fish, Wildlife, and Parks Committee

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13 ~~87-2-904.~~"

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March 11, 1983

SENATE STANDING COMMITTEE REPORT
(Fish and Game)

That House Bill No. 434 be amended as follows:

1. Title, line 11.
Following: "MCA"
Insert: "; AND PROVIDING A DELAYED EFFECTIVE DATE"
2. Page 3, line 14.
Following: line 13
Insert: "NEW SECTION. Section 3. Effective date.
The act is effective March 1, 1984."

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REFERENCE BILL

-2-

HB 434

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13 ~~87-2-204."~~

14 ~~SECTION 3. EFFECTIVE DATE. THIS ACT IS EFFECTIVE~~
15 ~~MARCH 1, 1984.~~

-End-