

HOUSE BILL NO. 613

Introduced: 02/02/83

Referred to Committee on Appropriations: 02/02/83

Hearing: 03/21/83

Report: 03/28/83, Do Pass, As Amended

2nd Reading: 03/28/83, Do Pass

3rd Reading: 03/28/83, Do Pass

Transmitted to Senate: 3/28/83

Referred to Committee on Finance & Claims: 4/5/83

Hearing: 4/11/83

Report: 4/13/83, Be Concurred In, As Amended

2nd Reading: 04/14/83, Be Not Concurred In

2nd Reading: 04/14/83, Be Indefinitely Postponed

Bill Killed

1 House BILL NO. 613
2 INTRODUCED BY Log. Donalds
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE
5 SUBDIVISION LAWS BY REQUIRING DEPOSIT OF SUBDIVISION FEES IN
6 THE STATE GENERAL FUND AND REQUIRING THAT FUNDING FOR
7 SUBDIVISION REVIEW BE ALLOCATED FROM THE STATE GENERAL FUND;
8 AMENDING SECTIONS 76-4-105, 76-4-1108, AND 76-4-1212, MCA;
9 AND PROVIDING AN EFFECTIVE DATE."

10
11 WHEREAS, current law provides that the review of
12 subdivisions conducted by the Department of Health and
13 Environmental Sciences is funded entirely through the
14 collection of lot fees paid by subdivisions; and

15 WHEREAS, in recent months a marked decline in the
16 number of subdivision parcels created has resulted in a
17 level of funding inadequate to maintain a core staff capable
18 of fulfilling the requirements of Title 76, chapter 4, on an
19 ongoing basis; and

20 WHEREAS, it is necessary to provide adequate funding to
21 insure retention of a well-qualified staff to review
22 subdivisions as the statutes require; and

23 WHEREAS, it is in the public interest to require
24 subdividers to financially support the review process.

25 THEREFORE, the Legislature intends that a biennial

1 appropriation from the general fund be made to support a
2 well-qualified core staff to review subdivisions and that
3 reimbursement to the general fund be made to the fullest
4 extent possible by the collection of lot fees that
5 adequately cover the cost of review.
6

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

8 Section 1. Section 76-4-105, MCA, is amended to read:

9 "76-4-105. Lot fees. (1) The department shall adopt
10 reasonable rules setting forth fees, not to exceed \$30 per
11 parcel, for services rendered in the review of plats and
12 subdivisions. The rules shall provide for a schedule of fees
13 to be paid by the applicant for plat or subdivision review
14 to the department for deposit in the ~~agency--fund--provided~~
15 ~~for--in--17-2-102 state general fund.~~ The fees shall be used
16 ~~for-review-of-plats-and-subdivisions~~ based on the complexity
17 of the subdivision, including but not limited to:

- 18 (a) number of lots in the subdivision;
19 (b) the type of water system to serve the development;
20 (c) the type of sewage disposal to serve the
21 development; and
22 (d) the degree of environmental research necessary to
23 supplement the review procedure.

24 (2) The department shall adopt rules to determine the
25 distribution of lot fees between the local governing body

1 and the department state general fund as provided in
 2 76-4-128. When a subdivision is reviewed under the master
 3 plan provisions of 76-4-124, the local governing body shall,
 4 within 20 days after receiving an application under the
 5 Montana Subdivision and Platting Act, distribute the lot
 6 fees as determined by this subsection.

7 (3) A fee as described in this section is not required
 8 for the review of subdivisions in which divisions are made
 9 for the purpose of relocating common boundary lines unless
 10 the division will result in the installation of additional
 11 water supply or sewage disposal facilities."

12 Section 2. Section 76-4-1108, MCA, is amended to read:

13 "76-4-1108. Disposition of fees and charges. (1) Fees
 14 and charges provided for by this part shall be paid to the
 15 department and deposited by it with the state treasurer.

16 (2) The state treasurer shall place 5% of these fees
 17 and charges in the general fund and ~~95% of these fees and~~
 18 ~~charges in the earmarked revenue fund.~~

19 ~~(3) Fees deposited in the earmarked revenue fund may~~
 20 ~~be used to pay claims for expense incurred in the~~
 21 ~~administration of this part when the claims have been~~
 22 ~~approved as provided by law."~~

23 Section 3. Section 76-4-1212, MCA, is amended to read:

24 "76-4-1212. Disposition of fee. The application fee
 25 shall be paid into the ~~earmarked revenue fund to the credit~~

1 ~~of the board and is hereby appropriated for the purposes of~~
 2 ~~carrying out the provisions of this part subject to~~
 3 ~~37-1-101(6) general fund."~~

4 NEW SECTION. Section 4. General fund support for
 5 subdivision review. Costs of implementing this part must be
 6 paid from the state general fund as provided by legislative
 7 appropriation.

8 NEW SECTION. Section 5. Codification instruction.
 9 Section 4 is intended to be codified as an integral part of
 10 Title 76, chapter 4, parts 1, 11, and 12, and the provisions
 11 of Title 76, chapter 4, parts 1, 11, and 12, apply to
 12 section 4.

13 NEW SECTION. Section 6. Effective date. This act is
 14 effective July 1, 1983.

-End-

STATE OF MONTANA

REQUEST NO. 319-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 4, 19 83, there is hereby submitted a Fiscal Note for House Bill 613 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:

House Bill 613 would fund the subdivision review process with general fund while depositing fees to the general fund.

ASSUMPTION:

- 1) Number of lots created will stabilize at 4,879/year.
- 2) Expenditures of bureau as approved by sub-committee.
- 3) The current fee of \$30 a lot remains in effect.


FISCAL IMPACT:

Revenue:	<u>FY83</u>	<u>FY84</u>	<u>FY85</u>
Earmarked	146,370	-0-	-0-
General Fund	-0-	146,370	146,370
Expenditure:			
Earmarked	230,000	-0-	-0-
General Fund	-0-	<u>211,648</u>	<u>225,537</u>
Net Impact To General Fund	<u><u>\$(83,630)</u></u>	<u><u>\$(65,278)</u></u>	<u><u>\$(79,167)</u></u>

NOTE:

House Bill 118 raises the subdivision fee from \$30.00 to \$50.00 per lot. If House Bill 118 passes, \$97,580/year additional revenue would pass to the general fund.

FISCAL NOTE 11:Z/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-9-83

EXPENDITURE:

It is assumed the bill would require the creation of a bureau half the size of the Withholding Tax Bureau at a cost of \$139,000 annually. An additional one-time cost of \$40,000 for a data processing system would be necessary.

LOCAL GOVERNMENT IMPACT:

	<u>FY84</u>	<u>FY85</u>	<u>BIENNIUM TOTAL</u>
Allocation to County Governments	\$2,457,989	\$2,457,989	\$4,915,978
Allocation to Muncipal Govern.	<u>3,160,272</u>	<u>3,160,272</u>	<u>6,320,544</u>
TOTAL	<u>\$5,618,261</u>	<u>\$5,618,261</u>	<u>\$11,236,522</u>

Approved by Comm.
on Appropriations

1 HOUSE BILL NO. 613

2 INTRODUCED BY LORY, DONALDSON

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE
5 SUBDIVISION LAWS BY REQUIRING DEPOSIT OF SUBDIVISION FEES IN
6 THE STATE GENERAL FUND AND REQUIRING THAT FUNDING FOR
7 SUBDIVISION REVIEW BE ALLOCATED FROM THE STATE GENERAL FUND;
8 ~~PROVIDING AN APPROPRIATION~~; AMENDING SECTIONS 76-4-105,
9 76-4-1108, AND 76-4-1212, MCA; AND PROVIDING AN EFFECTIVE
10 DATE."

11

12 WHEREAS, current law provides that the review of
13 subdivisions conducted by the Department of Health and
14 Environmental Sciences is funded entirely through the
15 collection of lot fees paid by subdivisions; and

16 WHEREAS, in recent months a marked decline in the
17 number of subdivision parcels created has resulted in a
18 level of funding inadequate to maintain a core staff capable
19 of fulfilling the requirements of Title 76, chapter 4, on an
20 ongoing basis; and

21 WHEREAS, it is necessary to provide adequate funding to
22 insure retention of a well-qualified staff to review
23 subdivisions as the statutes require; and

24 WHEREAS, it is in the public interest to require
25 subdividers to financially support the review process.

1 THEREFORE, the Legislature intends that a biennial
2 appropriation from the general fund be made to support a
3 well-qualified core staff to review subdivisions and that
4 reimbursement to the general fund be made to the fullest
5 extent possible by the collection of lot fees that
6 adequately cover the cost of review.

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11 reasonable rules setting forth fees, not to exceed \$30 per
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13 subdivisions. The rules shall provide for a schedule of fees
14 to be paid by the applicant for plat or subdivision review
15 to the department for deposit in the ~~agency-fund-provided~~
16 ~~for-in-17-2-102 state general fund~~. The fees shall be used
17 ~~for-review-of-plats-and-subdivisions~~ based on the complexity
18 of the subdivision, including but not limited to:

19 (a) number of lots in the subdivision;

20 (b) the type of water system to serve the development;

21 (c) the type of sewage disposal to serve the
22 development; and

23 (d) the degree of environmental research necessary to
24 supplement the review procedure.

25 (2) The department shall adopt rules to determine the

1 distribution of lot fees between the local governing body
2 and the department state general fund as provided in
3 76-4-128. When a subdivision is reviewed under the master
4 plan provisions of 76-4-124, the local governing body shall,
5 within 20 days after receiving an application under the
6 Montana Subdivision and Platting Act, distribute the lot
7 fees as determined by this subsection.

8 (3) A fee as described in this section is not required
9 for the review of subdivisions in which divisions are made
10 for the purpose of relocating common boundary lines unless
11 the division will result in the installation of additional
12 water supply or sewage disposal facilities."

13 Section 2. Section 76-4-1108, MCA, is amended to read:
14 "76-4-1108. Disposition of fees and charges. (1) Fees
15 and charges provided for by this part shall be paid to the
16 department and deposited by it with the state treasurer.

17 (2) The state treasurer shall place 5% of these fees
18 and charges in the general fund and 95% of these fees and
19 charges in the earmarked revenue fund.

20 ~~{3}--Fees deposited in the earmarked revenue fund may~~
21 ~~be used to pay claims for expense incurred in the~~
22 ~~administration of this part when the claims have been~~
23 ~~approved as provided by law."~~

24 Section 3. Section 76-4-1212, MCA, is amended to read:
25 "76-4-1212. Disposition of fee. The application fee

1 shall be paid into the ~~earmarked revenue fund to the credit~~
2 ~~of the board and is hereby appropriated for the purposes of~~
3 ~~carrying out the provisions of this part, subject to~~
4 ~~37-1-101(6) general fund."~~

5 NEW SECTION. Section 4. General fund support for
6 subdivision review. Costs of implementing this part must be
7 paid from the state general fund as provided by legislative
8 appropriation.

9 SECTION 5. APPROPRIATION. THERE IS APPROPRIATED \$10
10 IN FISCAL YEAR 1984 AND \$10 IN FISCAL YEAR 1985 FOR THE
11 SUBDIVISION REVIEW IN THE DEPARTMENT OF HEALTH AND
12 ENVIRONMENTAL SCIENCES.

13 NEW SECTION. Section 6. Codification instruction.
14 Section 4 is intended to be codified as an integral part of
15 Title 76, chapter 4, parts 1, 11, and 12, and the provisions
16 of Title 76, chapter 4, parts 1, 11, and 12, apply to
17 section 4.

18 NEW SECTION. Section 7. Effective date. This act is
19 effective July 1, 1983.

-End-

HOUSE BILL NO. 613

INTRODUCED BY LORY, DONALDSON

A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE SUBDIVISION LAWS BY REQUIRING DEPOSIT OF SUBDIVISION FEES IN THE STATE GENERAL FUND AND REQUIRING THAT FUNDING FOR SUBDIVISION REVIEW BE ALLOCATED FROM THE STATE GENERAL FUND; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 76-4-105, 76-4-1108, AND 76-4-1212, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, current law provides that the review of subdivisions conducted by the Department of Health and Environmental Sciences is funded entirely through the collection of lot fees paid by subdivisions; and

WHEREAS, in recent months a marked decline in the number of subdivision parcels created has resulted in a level of funding inadequate to maintain a core staff capable of fulfilling the requirements of Title 76, chapter 4, on an ongoing basis; and

WHEREAS, it is necessary to provide adequate funding to insure retention of a well-qualified staff to review subdivisions as the statutes require; and

WHEREAS, it is in the public interest to require subdividers to financially support the review process.

THEREFORE, the Legislature intends that a biennial appropriation from the general fund be made to support a well-qualified core staff to review subdivisions and that reimbursement to the general fund be made to the fullest extent possible by the collection of lot fees that adequately cover the cost of review.

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

Section 1. Section 76-4-105, MCA, is amended to read:

"76-4-105. Lot fees. (1) The department shall adopt reasonable rules setting forth fees, not to exceed \$30 per parcel, for services rendered in the review of plats and subdivisions. The rules shall provide for a schedule of fees to be paid by the applicant for plat or subdivision review to the department for deposit in the ~~agency fund provided for in 17-2-102 state general fund~~. The fees shall be used ~~for review of plats and subdivisions~~ based on the complexity of the subdivision, including but not limited to:

- (a) number of lots in the subdivision;
- (b) the type of water system to serve the development;
- (c) the type of sewage disposal to serve the development; and
- (d) the degree of environmental research necessary to supplement the review procedure.

(2) The department shall adopt rules to determine the

distribution of lot fees between the local governing body and the department state general fund as provided in 76-4-128. When a subdivision is reviewed under the master plan provisions of 76-4-124, the local governing body shall, within 20 days after receiving an application under the Montana Subdivision and Platting Act, distribute the lot fees as determined by this subsection.

(3) A fee as described in this section is not required for the review of subdivisions in which divisions are made for the purpose of relocating common boundary lines unless the division will result in the installation of additional water supply or sewage disposal facilities."

Section 2. Section 76-4-1108, MCA, is amended to read:

"76-4-1108. Disposition of fees and charges. (1) Fees and charges provided for by this part shall be paid to the department and deposited by it with the state treasurer.

(2) The state treasurer shall place 5% of these fees and charges in the general fund and 95% of these fees and charges in the earmarked revenue fund.

(3) Fees deposited in the earmarked revenue fund may be used to pay claims for expense incurred in the administration of this part when the claims have been approved as provided by law."

Section 3. Section 76-4-1212, MCA, is amended to read:

"76-4-1212. Disposition of fee. The application fee

shall be paid into the ~~earmarked revenue fund to the credit of the board and is hereby appropriated for the purposes of carrying out the provisions of this part, subject to 37-1-101(6) general fund.~~"

NEW SECTION. Section 4. General fund support for subdivision review. Costs of implementing this part must be paid from the state general fund as provided by legislative appropriation.

SECTION 5. APPROPRIATION. THERE IS APPROPRIATED \$10 IN FISCAL YEAR 1984 AND \$10 IN FISCAL YEAR 1985 FOR THE SUBDIVISION REVIEW IN THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES.

NEW SECTION. Section 6. Codification instruction. Section 4 is intended to be codified as an integral part of Title 76, chapter 4, parts 1, 11, and 12, and the provisions of Title 76, chapter 4, parts 1, 11, and 12, apply to section 4.

NEW SECTION. Section 7. Effective date. This act is effective July 1, 1983.

-End-

April 13, 1983

SENATE STANDING COMMITTEE REPORT
(Finance & Claims)

That House Bill No. 613 be amended as follows:

1. Page 2, line 15.

Following: "department"

Strike: "for deposit"

Insert: "of which an amount sufficient to reimburse local governments shall be deposited in the agency fund provided for in 17-2-102, and the remainder shall be deposited"

2. Page 3, line 18.

Following: "fund"

Insert: "except that an amount sufficient to reimburse local governments shall be deposited in the agency fund"

3. Page 4, line 4.

Following: "fund"

Insert: "except that an amount sufficient to reimburse local governments shall be deposited in the agency fund"

4. Page 4, line 9.

Strike: "\$10"

Insert: "\$150,648"

5. Page 4, line 10.

Strike: "\$10"

Insert: "\$153,537"