

HOUSE BILL NO. 463

INTRODUCED BY BOHARSKI, BRANDEWIE, B. BROWN, MERCER,  
LARSON, HARP

IN THE HOUSE

FEBRUARY 4, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
	FIRST READING.
FEBRUARY 19, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 20, 1993	PRINTING REPORT.
FEBRUARY 22, 1993	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 23, 1993	ENGROSSING REPORT.
FEBRUARY 24, 1993	THIRD READING, PASSED. AYES, 51; NOES, 48.
	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 1, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON FISH & GAME.
	FIRST READING.
MARCH 4, 1993	ON MOTION, REREFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
MARCH 26, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 27, 1993	SECOND READING, NOT CONCURRED IN.
	SECOND READING, INDEFINITELY POSTPONED.
MARCH 29, 1993	ON MOTION, PREVIOUS ACTION RECONSIDERED.
	ON MOTION, REQUEST HOUSE RETURN BILL AND REREFER TO COMMITTEE ON FISH AND GAME.

APRIL 7, 1993

COMMITTEE RECOMMEND BILL BE  
CONCURRED IN. REPORT ADOPTED.

APRIL 8, 1993

SECOND READING, CONCURRED IN.

APRIL 12, 1993

THIRD READING, CONCURRED IN.  
AYES, 39; NOES, 9.

RETURNED TO HOUSE.

IN THE HOUSE

APRIL 12, 1993

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 463  
 2 INTRODUCED BY Rep. Brown Rep. Brown  
 3 Rep. Brown Rep. Brown  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOCATING A PERCENTAGE  
 5 OF THE BOAT FEE IN LIEU OF TAX TO THE MOTORBOAT ACCOUNT IN  
 6 THE STATE SPECIAL REVENUE FUND; REQUIRING USE OF THE FEES BY  
 7 THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR BOATING  
 8 FACILITIES UNDER THE CONTROL OF THE DEPARTMENT; ALLOWING USE  
 9 OF THE FEES FOR MATCHING AVAILABLE FEDERAL FUNDS; CREATING  
 10 THE BOATING ADVISORY COUNCIL AND PROVIDING THAT COSTS  
 11 ASSOCIATED WITH THE COUNCIL BE PAID FROM THE FEES; AMENDING  
 12 SECTION 23-2-518, MCA; AND PROVIDING AN EFFECTIVE DATE."

13  
 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 **Section 1.** Section 23-2-518, MCA, is amended to read:

16 "23-2-518. Disposition of fees in lieu of tax. The (1)  
 17 Except for fees allocated under subsection (2), the county  
 18 treasurer shall distribute all fees in lieu of tax collected  
 19 on motorboats 10 feet in length or longer, sailboats 12 feet  
 20 in length or longer, personal watercraft, motorized canoes,  
 21 motorized rubber rafts, and motorized pontoons pursuant to  
 22 23-2-516 and 23-2-517 in the relative proportions required  
 23 by the levies for state, county, school district, and  
 24 municipal purposes in the same manner as personal property  
 25 taxes are distributed.

1 (2) The county treasurer shall allocate 25% of all fees  
 2 in lieu of tax collected under this section to the motorboat  
 3 account in the state special revenue fund for use by the  
 4 department as provided in [section 2]."

5 **NEW SECTION. Section 2.** Use of percentage of boat fees  
 6 for boat facilities -- designation of fees for regional use.

7 (1) At the time the fee in lieu of tax imposed under  
 8 23-2-516 is collected, the payor shall designate the fish,  
 9 wildlife, and parks administrative region in which the  
 10 majority of the payor's boating activities take place. Upon  
 11 receipt of the fee in the motorboat account in the state  
 12 special revenue fund, the department shall earmark the fee  
 13 for use in the designated region.

14 (2) All fees designated to the motorboat account by  
 15 23-2-518(2) must be used by the department to improve  
 16 regional boating facilities under the control of the  
 17 department and to cover costs associated with the boating  
 18 advisory council created in [section 3]. The department may  
 19 use the fees to match available federal funds to the extent  
 20 possible. Expenditure of fees must be made after  
 21 consideration of recommendations by the boating advisory  
 22 council.

23 **NEW SECTION. Section 3.** Creation of boating advisory  
 24 council -- appointment of members -- duties. (1) The  
 25 department director appointed under 2-15-3401 shall appoint

1 a boating advisory council to advise the department on the  
2 expenditure of funds made available under 23-2-518(2).

3 (2) The boating advisory council must be composed of  
4 five members of the public, each of whom must be interested  
5 in boating activities and the use of public boating  
6 facilities.

7 (3) The boating advisory council is attached to the  
8 department in an advisory capacity only, as defined in  
9 2-15-102(8).

10 (4) Compensation of boating advisory council members  
11 and all costs associated with the boating advisory council  
12 must be paid from the fees collected under 23-2-518(2).

13 NEW SECTION. **Section 4. Codification instruction.**  
14 [Sections 2 and 3] are intended to be codified as an  
15 integral part of Title 23, chapter 2, part 5, and the  
16 provisions of Title 23, chapter 2, part 5, apply to  
17 [sections 2 and 3].

18 NEW SECTION. **Section 5. Effective date.** [This act] is  
19 effective July 1, 1993.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0463, as introduced.

**DESCRIPTION OF PROPOSED LEGISLATION:** An act allocating a percentage of the boat fee in lieu of tax to the motorboat account in the state special revenue fund; requiring use of the fees by the Department of Fish, Wildlife and Parks for boating facilities under the control of the department; allowing use of the fees for matching available federal funds; creating the boating advisory council and providing that costs associated with the council be paid from the fees effective July 1, 1993.

**ASSUMPTIONS:**

1. Based on a telephone survey of Lewis and Clark, Yellowstone and Custer Counties, the average fee in lieu of taxes in 1992 was \$20.50.
2. Statewide there were 41,108 registered boats in 1992.
3. The five-person boating advisory council will meet five times per year for one day per meeting. The Department of Fish, Wildlife and Parks (FWP) will pay for the \$2,500 annual cost of these meeting out of the funds derived from this bill.
4. Counties will modify forms to collect required information under new section 2(1).

**FISCAL IMPACT:**

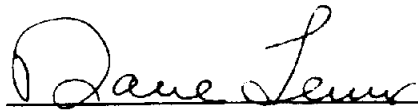
	<u>FY94</u>	<u>FY95</u>
<b>Expenditures:</b>		
Boat Council Per Diem & Travel	2,500	2,500


	<u>FY '94</u>			<u>FY '95</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
<b>Revenues:</b>						
Fee in Lieu of Tax	883,822	883,822	0	883,822	883,822	0
FWP Share	0	220,955	220,955	0	220,955	220,955
County Share	883,822	662,867	(220,955)	883,822	662,867	(220,955)

**Net Impact:** FWP revenues will increase \$220,955 per year and \$218,455 will be spent to improve regional boating facilities.

**EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:** County revenue decrease of \$220,955 per year and increase in paperwork to obtain the payor's designated FWP administrative region and provide the information to the Department of Fish, Wildlife and Parks.

**TECHNICAL NOTES:** No requirement for counties to provide FWP with information on which region the payor designated.

 2-9-93  
DAVID LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

 2-9-93  
WILLIAM E. BOHARSKI, PRIMARY SPONSOR DATE

Fiscal Note for HB0463, as introduced

HB 463

APPROVED BY COMM.  
ON LOCAL GOVERNMENT

## HOUSE BILL NO. 463

INTRODUCED BY BOHARSKI, BRANDEWIE, B. BROWN, MERCER,  
LARSON, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOCATING A PERCENTAGE OF THE BOAT FEE IN LIEU OF TAX TO THE MOTORBOAT ACCOUNT IN THE STATE SPECIAL REVENUE FUND; REQUIRING USE OF THE FEES BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR BOATING FACILITIES UNDER THE CONTROL OF THE DEPARTMENT; ALLOWING USE OF THE FEES FOR MATCHING AVAILABLE FEDERAL FUNDS; CREATING THE BOATING ADVISORY COUNCIL AND PROVIDING THAT COSTS ASSOCIATED WITH THE COUNCIL BE PAID FROM THE FEES; AMENDING SECTION 23-2-518, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

**Section 1.** Section 23-2-518, MCA, is amended to read:

"23-2-518. Disposition of fees in lieu of tax. The (1) Except for fees allocated under subsection (2), the county treasurer shall distribute all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 in the relative proportions required by the levies for state, county, school district, and

municipal purposes in the same manner as personal property taxes are distributed.

(2) The county treasurer shall allocate 25% of all fees in lieu of tax collected under this section to the motorboat account in the state special revenue fund for use by the department as provided in [section 2]."

**NEW SECTION. Section 2.** Use of percentage of boat fees for boat facilities -- designation of fees for regional use.

(1) At the time the fee in lieu of tax imposed under 23-2-516 is collected, the payor shall designate the fish, wildlife, and parks administrative region in which the majority of the payor's boating activities take place. Upon receipt of the fee in the motorboat account in the state special revenue fund, the department shall earmark the fee for use in the designated region.

(2) All fees designated to the motorboat account by 23-2-518(2) must be used by the department to improve regional boating facilities under the control of the department and to cover costs associated with the boating advisory council created in [section 3]. The department may use the fees to match available federal funds to the extent possible. Expenditure of fees must be made after consideration of recommendations by the boating advisory council.

**NEW SECTION. Section 3.** Creation of boating advisory

1 council -- appointment of members -- duties. (1) The  
2 department director appointed under 2-15-3401 shall appoint  
3 a boating advisory council to advise the department on the  
4 expenditure of funds made available under 23-2-518(2).

5 (2) The boating advisory council must be composed of  
6 five members of the public, each of whom must be interested  
7 in boating activities and the use of public boating  
8 facilities.

9 (3) The boating advisory council is attached to the  
10 department in an advisory capacity only, as defined in  
11 2-15-102(8).

12 (4) Compensation of boating advisory council members  
13 and all costs associated with the boating advisory council  
14 must be paid from the fees collected under 23-2-518(2).

15 NEW SECTION. Section 4. Codification instruction.  
16 [Sections 2 and 3] are intended to be codified as an  
17 integral part of Title 23, chapter 2, part 5, and the  
18 provisions of Title 23, chapter 2, part 5, apply to  
19 [sections 2 and 3].

20 NEW SECTION. Section 5. Effective date. [This act] is  
21 effective July 1, 1993.

22 NEW SECTION. SECTION 6. TERMINATION. [THIS ACT]  
23 TERMINATES JUNE 30, 1995.

-End-

## HOUSE BILL NO. 463

INTRODUCED BY BOHARSKI, BRANDEWIE, B. BROWN, MERCER,  
LARSON, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOCATING A PERCENTAGE OF THE BOAT FEE IN LIEU OF TAX TO THE MOTORBOAT ACCOUNT IN THE STATE SPECIAL REVENUE FUND; REQUIRING USE OF THE FEES BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR BOATING FACILITIES UNDER THE CONTROL OF THE DEPARTMENT; ALLOWING USE OF THE FEES FOR MATCHING AVAILABLE FEDERAL FUNDS; CREATING THE BOATING ADVISORY COUNCIL AND PROVIDING THAT COSTS ASSOCIATED WITH THE COUNCIL BE PAID FROM THE FEES; PROVIDING THAT THE MEMBERS OF THE COUNCIL ARE NOT ENTITLED TO COMPENSATION OR TRAVEL EXPENSES; AMENDING SECTION 23-2-518, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

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

**Section 1.** Section 23-2-518, MCA, is amended to read:

"23-2-518. **Disposition of fees in lieu of tax.** The (1) Except for fees allocated under subsection (2), the county treasurer shall distribute all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to

23-2-516 and 23-2-517 in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed.

(2) The county treasurer shall allocate 25% of all fees in lieu of tax collected under this section to the motorboat account in the state special revenue fund for use by the department as provided in [section 2]."

**NEW SECTION. Section 2.** Use of percentage of boat fees for boat facilities -- designation of fees for regional use. (1) At the time the fee in lieu of tax imposed under 23-2-516 is collected, the payor shall designate the fish, wildlife, and parks administrative region in which the majority of the payor's boating activities take place. Upon receipt of the fee in the motorboat account in the state special revenue fund, the department shall earmark the fee for use in the designated region.

(2) All fees designated to the motorboat account by 23-2-518(2) must be used by the department to improve regional boating facilities under the control of the department and to cover costs associated with the boating advisory council created in [section 3]. The department may use the fees to match available federal funds to the extent possible. Expenditure of fees must be made after consideration of recommendations by the boating advisory



1 council.

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5 a boating advisory council to advise the department on the  
6 expenditure of funds made available under 23-2-518(2).

7 (2) The boating advisory council must be composed of  
8 five members of the public, each of whom must be interested  
9 in boating activities and the use of public boating  
10 facilities.

11 (3) The boating advisory council is attached to the  
12 department in an advisory capacity only, as defined in  
13 2-15-102(8).

14 (4) ~~Compensation--of--boating--advisory--council--members~~  
15 ~~and--all~~ ALL costs associated with the boating advisory  
16 council must be paid from the fees collected under  
17 23-2-518(2). COUNCIL MEMBERS ARE NOT ENTITLED TO  
18 COMPENSATION OR TRAVEL EXPENSES AS PROVIDED IN 2-15-122.

19 NEW SECTION. Section 4. Codification instruction.  
20 [Sections 2 and 3] are intended to be codified as an  
21 integral part of Title 23, chapter 2, part 5, and the  
22 provisions of Title 23, chapter 2, part 5, apply to  
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(2) The county treasurer shall allocate 25% of all fees in lieu of tax collected under this section to the motorboat account in the state special revenue fund for use by the department as provided in (section 2)."

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(2) All fees designated to the motorboat account by 23-2-518(2) must be used by the department to improve regional boating facilities under the control of the department and to cover costs associated with the boating advisory council created in (section 3). The department may use the fees to match available federal funds to the extent possible. Expenditure of fees must be made after consideration of recommendations by the boating advisory

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18 COMPENSATION OR TRAVEL EXPENSES AS PROVIDED IN 2-15-122.

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