House BILL NO. 188 1 Whoot Staling torbes W le INTRODUCED BY Misemin 2 BY REQUEST OF THE JUDICIAL UNIFICATION AND FINANCE COMMISSION 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE AND COUNTY RESPONSIBILITIES FOR 5 6 DISTRICT COURT FUNDING; ESTABLISHING A PROGRAM UNDER WHICH THE STATE WILL PAY A 7 PERCENTAGE OF CERTAIN COURT COSTS; ESTABLISHING A STATE SPECIAL REVENUE ACCOUNT FOR STATE FUNDING OF CERTAIN COURT COSTS AND PROVIDING A STATUTORY APPROPRIATION OF 8 MONEY IN THE ACCOUNT; IMPOSING A LIGHT VEHICLE TAX FOR STATE FUNDING OF CERTAIN COURT 9 EXPENSES; PROVIDING THAT CASE FILINGS USED TO DETERMINE STATE PAYMENT OF COURT 10 REPORTER SALARIES BE DETERMINED BY FISCAL YEAR; REDUCING THE LOCAL OPTION TAX ON LIGHT 11 12 VEHICLES; REQUIRING A PUBLIC HEARING BEFORE THE LOCAL OPTION TAX ON LIGHT VEHICLES MAY 13 BE CHANGED; MAKING PERMANENT THE CURRENT DISPOSITION OF THE LOCAL OPTION TAX REVENUE 14 BETWEEN THE COUNTY AND CITIES WITHIN THE COUNTY; RAISING THE DISTRICT COURT FEE FOR COURT REPORTERS AND REQUIRING THAT A PORTION OF THE FEE BE USED FOR STATE FUNDING OF 15 CERTAIN COURT COSTS; AMENDING SECTIONS 3-5-602, 3-5-901, 7-6-2352, 17-7-502, 25-1-202, 16 17 61-3-509, AND 61-3-537, MCA; REPEALING SECTION 4, CHAPTER 749, LAWS OF 1991, AND SECTION 1, CHAPTER 217, LAWS OF 1993; AND PROVIDING EFFECTIVE DATES." 18 19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 20 21 22 NEW SECTION. Section 1. State cost-sharing program for certain court expenses -- procedures. 23 (1) Revenue that is statutorily appropriated to the supreme court under [section 2] must be used first to

fund the costs of administering this section and then to provide state funding of up to 50% of a county's
costs for the following court expenses:

- 26 (a) representation of an indigent person:
- 27 (i) who is charged with a misdemeanor in a justice's court;
- 28 (ii) during commitment proceedings pursuant to Title 53, chapter 21, part 1;

(iii) in a case involving a youth detained or charged under the Montana Youth Court Act, Title 41,
chapter 5; or



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1	(iv) in a child abuse, neglect, and dependency proceeding under Title 41, chapter 3, when
2	representation is required by law;
3	(b) juvenile probation; and
4	(c) court reporter salaries in civil cases as provided in 3-5-602.
5	(2) If money appropriated for the expenses listed in subsection (1):
6	(a) exceeds the amount necessary to fund 50% of each of the expenses, the excess must be used
7	for district court grants as provided in 7-6-2352; or
8	(b) is insufficient to fund 50% of each of the expenses, the supreme court administrator shall
9	prorate the funds to pay the percentage that can be paid for each expense.
10	(3) The supreme court administrator may establish procedures necessary to administer this section.
11	
12	<u>NEW SECTION.</u> Section 2. Court cost-sharing account established statutory appropriation. (1)
13	There is an account in the state special revenue fund to provide state funding for a percentage of certain
14	court expenses.
15	(2) Money remitted to the state treasurer as a court fee under 61-3-509(4)(b) must be deposited
16	in this account.
17	(3) Money in this account is statutorily appropriated, as provided in 17-7-502, to the supreme court
18	for payment of the state's share of court expenses as provided in [section 1].
19	
20	NEW SECTION. Section 3. Mandatory vehicle tax. (1) In addition to the tax imposed under
21	61-3-504(2), a vehicle tax of 0.1% of the value determined under 61-3-503 must be imposed on vehicles
22	subject to a property tax under 61-3-504(2).
23	(2) The county treasurer shall forward revenue collected under this section to the state treasurer
24	at the time and in the manner provided for in 61-3-509.
25	(3) The state treasurer shall credit amounts received under this section in the manner provided for
26	in 61-3-509(4).
27	
28	Section 4. Section 61-3-509, MCA, is amended to read:
29	"61-3-509. Disposition of taxes. (1) Except as provided in subsection (2), the The county
30	treasurer shall, after deducting the <del>district court fee</del> <u>amounts provided for in subsection (2)</u> , credit all



remaining taxes on motor vehicles and fees in lieu of tax on motor homes, travel trailers, and campers 1 2 collected under 61-3-504, 61-3-521, and 61-3-537 to a motor vehicle suspense fund, and at. At some 3 time between March 1 and March 10 of each year and every 60 days thereafter, the county treasurer shall distribute the money in the motor vehicle suspense fund in the relative proportions required by the levies 4 5 for state, county, school district, and municipal purposes in the same manner as personal property taxes 6 are distributed. 7 (2) (a) The county treasurer shall deduct as a district court fee 7% of the amount of the 2% tax 8 collected under 61-3-504 on an automobile or truck having a rated capacity of 1 ton or less. 9 (b) The county treasurer shall also deduct as a court fee the entire amount collected under [section 10 <u>3].</u> 11 (3) The county treasurer shall credit the fee for district courts amounts deducted under subsection (2) to a separate suspense account and shall forward the amount in the account to the state treasurer at 12 13 the time the county treasurer distributes the money in the motor vehicle suspense fund. 14 (4) (a) The state treasurer shall credit amounts received under this subsection (2)(a) to the general 15 fund to be used for purposes of state funding of the district court expenses as provided in 3-5-901. 16 (b) The state treasurer shall credit amounts received under subsection (2)(b) to the account 17 established in [section 2] for state funding of a percentage of certain court expenses as provided in [section 18 <u>1].</u>" 19 20 Section 5. Section 61-3-537, MCA, is amended to read: 21 "61-3-537. (Temporary) Local option vehicle tax. (1) A county may impose a local vehicle tax 22 on vehicles subject to a property tax under 61-3-504(2) at a rate of up to 0.5% 0.4% of the value 23 determined under 61-3-503, in addition to the tax imposed under 61-3-504(2). 24 (2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed 25 under 61-3-504(2). The local vehicle tax is distributed as follows: 26 (a) 50% to the county; and 27 (b) the remaining 50% to the county and the incorporated cities and towns within the county, 28 apportioned on the basis of population. The distribution to a city or town is determined by multiplying the 29 amount of money available by the ratio of the population of the city or town to the total county population. 30 The distribution to the county is determined by multiplying the amount of money available by the ratio of

Montana Legislative Council

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1 the population of unincorporated areas within the county to the total county population.

2 (3) The governing body of a county may impose, revise, or revoke a local vehicle tax for a fiscal 3 year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the proposed resolution. The resolution may provide for the distribution of the local vehicle tax. (Terminates 4 June 30, 1995 sec. 1, Ch. 217, L. 1993.) 5

61-3-537. (Effective July 1, 1995) Local option vehicle tax. (1) A county may impose a local 6 7 vehicle tax on vehicles subject to a property tax under 61-3-504(2) at a rate of up to 0.5% of the value 8 determined under 61 3 503, in addition to the tax imposed under 61 3 504(2).

9 (2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed 10 under 61-3-504(2) and is distributed in the same manner, based on the registration address of the owner 11 of the motor vehicle.

12 (3) The governing body of a county may impose a local vehicle tax for a fiscal year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the proposed resolution." 13

14

Section 6. Section 3-5-602, MCA, is amended to read: 15

16 "3-5-602. Salary and expenses -- apportionment. (1) Each reporter is entitled to receive a base 17 annual salary of not less than \$23,000 or more than \$30,000 and no other compensation except as 18 provided in 3-5-604. The salary must be set by the judge for whom the reporter works. The salary is 19 payable in monthly installments out of the general funds of the counties comprising the district for which 20 the reporter is appointed and out of an appropriation appropriations made to the supreme court 21 administrator pursuant to 3-5-901 and [section 1] and as provided in subsection (2) of this section.

22 (2) (a) The supreme court administrator shall determine the total number of civil and criminal 23 actions commenced in the preceding fiscal year in the district court or courts in the judicial district for which 24 a reporter is appointed. The Pursuant to 3-5-901, the state shall pay its a portion of the reporter's salary 25 based on the proportion of the total number of criminal actions commenced in the district court or courts 26 in the district and the amount appropriated for that purpose. Pursuant to [section 1], the state shall also 27 pay a portion of the reporter's salary based on the proportion of the total number of civil actions 28 commenced in the district court or courts in the district and the amount appropriated for that purpose.

29 (b) Each county shall pay its portion of the remainder of the salary based on its proportion of the 30 total number of civil and criminal actions commenced in the district court or courts in the district. The



1 judge or judges of the district shall, on January July 1 of each year or as soon thereafter as possible, 2 apportion the amount of the salary to be paid by each county in the district on the basis prescribed in this 3 subsection (2). The portion of the salary payable by a county is a district court expense within the meaning 4 of 7-6-2351, 7-6-2352, and 7-6-2511. 5 (3) In judicial districts comprising more than one county, the reporter is allowed, in addition to the 6 salary and fees provided for in subsection (1), actual and necessary travel expenses, as defined and 7 provided in 2-18-501 through 2-18-503, when on official business to a county of the reporter's judicial district other than the county in which the reporter resides. The expenses must be apportioned and are 8 9 payable in the same way as the salary." 10 11 Section 7. Section 3-5-901, MCA, is amended to read: 12 "3-5-901. State assumption of certain district court expenses. (1) The state shall, to the extent 13 that revenue is available under 61-3-509(4)(a), fund the following district court expenses in criminal cases 14 only: 15 (a) salaries of court reporters as provided in 3-5-602; 16 (b) fees for transcripts of proceedings; 17 (c) witness fees and necessary expenses; 18 (d) juror fees; (e) expenses for indigent defense; 19 20 (f) expenses of the appellate defender commission and the office of appellate defender; and 21 (g) expenses for psychiatric examinations. 22 (2) The revenue received under 61-3-509(4)(a) is statutorily appropriated, as provided in 17-7-502, 23 to the supreme court for funding the expenses listed in subsection (1) and the costs of administering this 24 section. 25 (3) If money appropriated for the expenses listed in subsection (1): 26 (a) exceeds the amount necessary to fully fund those expenses, the excess amount must be used 27 for district court grants as provided in 7-6-2352; or 28 (b) is insufficient to fully fund those expenses, the appellate defender commission and the office 29 of appellate defender must be funded first and the county is responsible for payment of the balance. 30 (4) Money deposited in the state general fund in fiscal year 1992, as provided in 61-3-509(4)(a),

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that is in excess of the legislative appropriation is statutorily appropriated, as provided in 17-7-502, to the 1 supreme court for district court and courts of limited jurisdiction automation purposes during the 1995 2 biennium. (Subsection (4) terminates July 1, 1995--sec. 7, Ch. 330, L. 1993.)" 3 4 Section 8. Section 25-1-202, MCA, is amended to read: 5 "25-1-202. Fee for court reporter. (1) In addition to other filing fees, a fee of \$10 \$20 must be 6 paid to the clerk of the district court at the time of filing a civil action in the district court. 7 8 (2) The Fifty percent of the fee must be paid by the clerk into the treasury of the county where 9 the action is filed, to be applied to the payment of the salary of the reporter. The balance of the fee must 10 be remitted to the state treasurer to be deposited in the account established in [section 2]. 11 (3) The prevailing party may have include the amount paid by him taxed under this section in his the bill of costs as a proper disbursements disbursement." 12 13 Section 9. Section 7-6-2352, MCA, is amended to read: 14 "7-6-2352. State grants to district courts -- rules. (1) The state shall make grants, to To the 15 16 extent funds are available after expenses provided for in 3-5-901 and [section 1] are funded paid, the state 17 shall make grants to the governing body of a county for to assist the district courts for assistance, as 18 provided in this section. 19 (2) The governing body of a county A county's governing body may apply to the supreme court 20 administrator for a grant by filing a written request with the supreme court administrator on forms provided 21 by the administrator. The request must be submitted by August 20 for the previous fiscal year unless the 22 administrator grants a time extension upon at the county's request of the county. In its request for a grant, 23 a county must shall certify that: 24 (a) all expenditures from the county district court fund have been lawfully made; 25 (b) no transfers from the county district court fund have been or will be made to any other fund; 26 and 27 (c) no expenditures have been made from the county district court fund that are not specifically 28 authorized by 7-6-2511 and 7-6-2351. 29 (3) To the extent funds are available, the state shall award a grant if the county's district court 30 expenditures for the previous fiscal year exceeded the sum of:

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54th Legislature
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1 (a) the product of the maximum mill levy authorized by law for district court purposes, whether 2 or not assessed, multiplied by the previous year's taxable valuation of the county; and 3 (b) all revenues revenue, except district court grants, required by law to be deposited in the county 4 district court fund for the previous fiscal year. 5 (4) Eligible court expenditures for grant purposes include all costs of the county associated with 6 the operation and maintenance of the district court, from whatever fund paid, except costs for building and 7 capital items and library maintenance, replacement, and acquisition. 8 (5) The supreme court administrator shall notify each eligible county as soon as possible of the 9 state's intention to award a grant to that county and the amount of the award. 10 (6) The grant received by the county must be placed in the county's district court fund. 11 (7) If an audit conducted pursuant to 2-7-503 discloses that the recipient received a grant in excess 12 of the amount for which it was eligible, the recipient shall repay the excess to the state. The supreme court 13 administrator shall redistribute any repaid excess amounts to the other counties that received grants from 14 the appropriation from which the overpayment was made, on the same basis as the original awards. A 15 county is not eligible for a district court grant if it owes the state a refund of a prior year's overpayment. 16 (8) The supreme court administrator, in consultation with the supreme court, shall prescribe rules 17 and forms necessary to effectively administer this section. The administrator may require a county to 18 provide any information considered necessary for the administration of the program." 19 20 Section 10. Section 17-7-502, MCA, is amended to read:

21 "17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory
 22 appropriation is an appropriation made by permanent law that authorizes spending by a state agency
 23 without the need for a biennial legislative appropriation or budget amendment.

- (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply
   with both of the following provisions:
- 26 (a) The law containing the statutory authority must be listed in subsection (3).
- (b) The law or portion of the law making a statutory appropriation must specifically state that a
  statutory appropriation is made as provided in this section.
- (3) The following laws are the only laws containing statutory appropriations: 2-9-202; 2-17-105;
  2-18-812; 3-5-901; [section 2]; 5-13-403; 10-3-203; 10-3-312; 10-3-314; 10-4-301; 15-1-111;



- 7 -

15-23-706; 15-25-123; 15-31-702; 15-36-112; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404; 1 16-1-410; 16-1-411; 17-3-106; 17-3-212; 17-5-404; 17-5-424; 17-5-704; 17-5-804; 17-6-101; 17-6-201; 2 17-6-409; 17-7-304; 18-11-112; 19-2-502; 19-6-709; 19-9-1007; 19-15-101; 19-17-301; 19-18-512; 3 19-18-513; 19-18-606; 19-19-205; 19-19-305; 19-19-506; 20-4-109; 20-8-111; 20-9-361; 20-26-1403; 4 20-26-1503; 23-2-823; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301; 5 23-7-402; 27-12-206; 32-1-537; 37-43-204; 37-51-501; 39-71-503; 39-71-907; 39-71-2321; 6 39-71-2504; 44-12-206; 44-13-102; 50-5-232; 50-40-206; 53-6-150; 53-24-206; 60-2-220; 61-2-107; 7 8 67-3-205; 75-1-1101; 75-5-507; 75-5-1108; 75-11-313; 76-12-123; 77-1-808; 80-2-103; 80-2-222; 9 80-4-416; 80-11-310; 81-5-111; 82-11-136; 82-11-161; 85-1-220; 85-20-402; 90-3-301; 90-4-215; 10 90-6-331; 90-7-220; 90-9-306; and 90-14-107.

11 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, 12 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued 13 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of 14 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as 15 determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the 16 bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 17 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for 18 supplemental benefit; and pursuant to sec. 15, Ch. 534, L. 1993, the inclusion of 90-14-107 terminates 19 July 1, 1995.)"

20

<u>NEW SECTION.</u> Section 11. Repealer. Section 4, Chapter 749, Laws of 1991, and section 1,
 Chapter 217, Laws of 1993, are repealed.

23

24 <u>NEW SECTION.</u> Section 12. Codification instruction. (1) [Sections 1 and 2] are intended to be 25 codified as an integral part of Title 3, chapter 5, part 9, and the provisions of Title 3, chapter 5, part 9, 26 apply to [sections 1 and 2].

(2) [Section 3] is intended to be codified as an integral part of Title 61, chapter 3, part 5, and the
provisions of Title 61, chapter 3, part 5, apply to [section 3].

29 30

NEW SECTION. Section 13. Effective dates. (1) [Sections 5, 11, and 12 and this section] are



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1 effective on passage and approval.

2 (2) [Sections 1 through 4 and 6 through 10] are effective July 1, 1995.

-END-



### STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0188, as introduced

## DESCRIPTION OF PROPOSED LEGISLATION:

Revising state and county responsibilities for district court funding; establishing a program under which the state will pay a percentage of certain court costs and raising the district court fee for court reporters; establishing a state special revenue account for state funding of certain court costs and providing a statutory appropriation of money in the account; imposing a light vehicle tax for state funding of certain court expenses.

## ASSUMPTIONS:

- 1. Data collected and reported by the Judicial Unification and Finance Commission (JUFC) is reasonably accurate and is relied upon in the preparation of the fiscal note.
- 2. The bill will create a new district court reimbursement program similar to the present district court criminal reimbursement program. It is estimated by the JUFC that the new program will require an additional 1.00 Grade 17 FTE. The district court criminal reimbursement program contains 1.25 FTE.
- 3. Grants to counties are limited by the amount of revenue deposited to the new state special revenue account created in the bill less administrative expenses.
- 4. The estimated revenue for increased court reporter fees is based upon the JUFC recommendation. The estimated revenue from the imposition of a statewide 0.1% light vehicle tax is based upon the estimated statewide vehicle value adopted by the Revenue Oversight Committee (\$2,896.293 million in FY96 and \$3,005.822 million in FY97).

# FISCAL IMPACT:

Expenditures:

	FY96	FY97
Judiciary -	Difference	<u>Difference</u>
District Court Reimbursement:		
FTE	1.00	1.00
Personal Services	39,948	40,091
Operating Expenses	2,000	2,000
Equipment	4,000	1,000
Grants to Counties	<u>2,976,462</u>	<u>3,101,430</u>
Total	3,022,410	3,144,521
State Special Revenue (02)	3,022,410	3,144,521
<u>Revenues:</u>		
State Special-Court Reporter Fees (0)	2) 126,110	138,721
State Special-0.1% Vehicle Tax (02)	<u>2,896,300</u>	<u>3,005,800</u>
Total	3,022,410	3,144,521

# EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

County expenditures for district and justice courts operations will be decreased by the amount of reimbursement from the new program: approximately \$3 million per year.

-19-95 DATE

DAVE LEWIS, BUDGET DIRECTOR DATE Office of Budget and Program Planning

WILLIAM R. WISEMAN, PRIMARY SPONSOR DATE

Fiscal Note for HB0188, as introduced

HB 188

Fiscal Note Request, <u>HB0188, as introduced</u> Page 2 (continued)

#### DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay? (Please explain)
   Counties directly benefit in having certain district court and justice court expenses partially reimbursed.
- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund? Provides a predictable, identifiable source of revenue for reimbursing court expenses.
- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program/activity that is intended? XX Yes \_\_\_\_ No (if no, explain)
- d) Does the need for this state special revenue provision still exist? XX Yes \_\_\_\_\_ No (Explain) Court expenses are ongoing and increasing.
- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please explain)
   No. Expenses required by the constitution or statute are made at the trial court level, not on the state level. This program provides a means of reimbursing counties for expenses incurred in operating the district and justice courts.
- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please explain)

The legislature has for some time provided reimbursement for certain district court expenses. This bill expands eligible expenses and provides an additional funding source.

g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)

Reimbursement of expenses cannot exceed revenue generated by the light vehicle tax. Dedication of revenue provides efficiency by making it much easier to track activity through separate reports.

APPROVED BY COM ON TAXATION

1	HOUSE BILL NO. 188
2	INTRODUCED BY WISEMAN, WYATT, GALVIN, FORBES, RYAN, HIBBARD
3	BY REQUEST OF THE JUDICIAL UNIFICATION AND FINANCE COMMISSION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE AND COUNTY RESPONSIBILITIES FOR
6	DISTRICT COURT-FUNDING; ESTABLISHING A PROGRAM UNDER WHICH THE STATE WILL PAY A
7	PERCENTAGE OF CERTAIN COURT COSTS; ESTABLISHING A STATE SPECIAL REVENUE ACCOUNT FOR
8	STATE FUNDING OF CERTAIN COURT COSTS AND PROVIDING A STATUTORY APPROPRIATION OF
9	MONEY IN THE ACCOUNT; IMPOSING A LIGHT VEHICLE TAX FOR STATE FUNDING OF CERTAIN COURT
10	EXPENSES; PROVIDING THAT CASE FILINGS USED TO DETERMINE STATE PAYMENT OF COURT
11	REPORTER SALARIES BE DETERMINED BY FISCAL YEAR; REDUCING THE LOCAL OPTION TAX ON LIGHT
12	VEHICLES; REQUIRING A PUBLIC HEARING BEFORE THE LOCAL OPTION TAX ON LIGHT VEHICLES MAY
13	BE CHANGED; MAKING PERMANENT EXTENDING THE CURRENT DISPOSITION OF THE LOCAL OPTION
14	TAX REVENUE BETWEEN THE COUNTY AND CITIES WITHIN THE COUNTY; RAISING THE DISTRICT
15	COURT FEE FOR COURT REPORTERS AND REQUIRING THAT A PORTION OF THE FEE BE USED FOR
16	STATE FUNDING OF CERTAIN COURT COSTS; AMENDING SECTIONS 3-5-602, 3-5-901, 7-6-2352,
17	<del>17-7-502, 25-1-202, 61-3-509, AND</del> <u>SECTION</u> 61-3-537, MCA <del>; REPEALING,</del> SECTION 4, CHAPTER 749,
18	LAWS OF 1991, AND SECTION 1, CHAPTER 217, LAWS OF 1993; AND PROVIDING EFFECTIVE DATES
19	AN IMMEDIATE EFFECTIVE DATE."
20	
21	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
22	(Refer to Introduced bill)
23	Strike everything after the enacting clause and insert:
24	
25	Section 1. Section 61-3-537, MCA, is amended to read:
26	"61-3-537. (Temporary) Local option vehicle tax. (1) A county may impose a local vehicle tax on
27	vehicles subject to a property tax under 61-3-504(2) at a rate of up to $0.5\%$ of the value determined under
28	61-3-503, in addition to the tax imposed under 61-3-504(2).
29	(2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed
30	under 61-3-504(2). The first priority of the local vehicle tax is for district court funding, and the tax is

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1 distributed as follows:

(a) 50% to the county; and

(b) the remaining 50% to the county and the incorporated cities and towns within the county,
apportioned on the basis of population. The distribution to a city or town is determined by multiplying the
amount of money available by the ratio of the population of the city or town to the total county population.
The distribution to the county is determined by multiplying the amount of money available by the ratio of
the population of unincorporated areas within the county to the total county population.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax for a fiscal
 year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the
 proposed resolution. The resolution may provide for the distribution of the local vehicle tax. (Terminates
 June 30, 1995-sec. 1, Ch. 217, L. 1993.)

12 **61-3-537.** (Effective July 1, <del>1995</del> <u>2005</u>) Local option vehicle tax. (1) A county may impose a local 13 vehicle tax on vehicles subject to a property tax under 61-3-504(2) at a rate of up to 0.5% of the value 14 determined under 61-3-503, in addition to the tax imposed under 61-3-504(2).

15 (2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed 16 under 61-3-504(2) and is distributed in the same manner, based on the registration address of the owner 17 of the motor vehicle.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax for a fiscal
 year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the
 proposed resolution."

21

22 Section 2. Section 1, Chapter 217, Laws of 1993, is amended to read:

23 "Section 1. Section 4, Chapter 749, Laws of 1991, is amended to read:

24 "Section 4. Termination. [This act] terminates June 30, 1993 1995 2005.""

25

26 Section 3. Section 4, Chapter 749, Laws of 1991, is amended to read:

27 "Section 4. Termination. [This act] terminates June 30, 1993 2005."

NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

-END-

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1	HOUSE BILL NO. 188
2	INTRODUCED BY WISEMAN, WYATT, GALVIN, FORBES, RYAN, HIBBARD
3	BY REQUEST OF THE JUDICIAL UNIFICATION AND FINANCE COMMISSION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE AND COUNTY RESPONSIBILITIES FOR
6	DISTRICT COURT FUNDING; ESTABLISHING A PROGRAM UNDER WHICH THE STATE WILL PAY A
7	PERCENTAGE OF CERTAIN COURT COSTS; ESTABLISHING A STATE SPECIAL REVENUE ACCOUNT FOR
8	STATE FUNDING OF CERTAIN COURT COSTS AND PROVIDING A STATUTORY APPROPRIATION OF
9	MONEY IN THE ACCOUNT; IMPOSING A LIGHT VEHICLE TAX FOR STATE FUNDING OF CERTAIN COURT
10	EXPENSES; PROVIDING THAT CASE FILINGS USED TO DETERMINE STATE PAYMENT OF COURT
1.1	REPORTER SALARIES BE DETERMINED BY FISCAL YEAR; REDUCING THE LOCAL OPTION TAX ON LIGHT
12	VEHICLES; REQUIRING A PUBLIC HEARING BEFORE THE LOCAL OPTION TAX ON LIGHT VEHICLES MAY
13	BE CHANGED; MAKING PERMANENT EXTENDING THE CURRENT DISPOSITION OF THE LOCAL OPTION
14	TAX REVENUE BETWEEN THE COUNTY AND CITIES WITHIN THE COUNTY; RAISING THE DISTRICT
15	COURT FEE FOR COURT REPORTERS AND REQUIRING THAT A PORTION OF THE FEE BE USED FOR
16	STATE FUNDING OF CERTAIN COURT COSTS; AMENDING SECTIONS 3 5 602, 3 5 901, 7 6 2352,
17	<del>17-7-502, 25-1-202, 61-3-509, AND</del> <u>SECTION</u> 61-3-537, MCA <del>; REPEALING</del> , SECTION 4, CHAPTER 749,
18	LAWS OF 1991, AND SECTION 1, CHAPTER 217, LAWS OF 1993; AND PROVIDING EFFECTIVE DATES
19	AN IMMEDIATE EFFECTIVE DATE."
20	
21	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
22	(Refer to Introduced bill)
23	Strike everything after the enacting clause and insert:
24	
25	Section 1. Section 61-3-537, MCA, is amended to read:
26	"61-3-537. (Temporary) Local option vehicle tax. (1) A county may impose a local vehicle tax on
27	vehicles subject to a property tax under 61-3-504(2) at a rate of up to 0.5% of the value determined under
28	61-3-503, in addition to the tax imposed under 61-3-504(2).
29	(2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed
30	under 61-3-504(2). The first priority of the local vehicle tax is for district court funding, and the tax is

- 1 -



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1 distributed as follows:

2 (a) 50% to the county; and

(b) the remaining 50% to the county and the incorporated cities and towns within the county,
apportioned on the basis of population. The distribution to a city or town is determined by multiplying the
amount of money available by the ratio of the population of the city or town to the total county population.
The distribution to the county is determined by multiplying the amount of money available by the ratio of
the population of unincorporated areas within the county to the total county population.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax for a fiscal
 year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the
 proposed resolution. The resolution may provide for the distribution of the local vehicle tax. (Terminates
 June 30, 1995 -sec. 1, Ch. 217, L. 1993.)-

12 **61-3-537.** (Effective July 1, 1995 2005) Local option vehicle tax. (1) A county may impose a local 13 vehicle tax on vehicles subject to a property tax under 61-3-504(2) at a rate of up to 0.5% of the value 14 determined under 61-3-503, in addition to the tax imposed under 61-3-504(2).

(2) A local vehicle tax is payable at the same time and in the same manner as the tax imposed
 under 61-3-504(2) and is distributed in the same manner, based on the registration address of the owner
 of the motor vehicle.

(3) The governing body of a county may impose, revise, or revoke a local vehicle tax for a fiscal
 year by adopting a resolution before July 1 of the fiscal year, after conducting a public hearing on the
 proposed resolution."

21

22 Section 2. Section 1, Chapter 217, Laws of 1993, is amended to read: 23 "Section 1. Section 4, Chapter 749, Laws of 1991, is amended to read: 24 "Section 4. Termination. [This act] terminates June 30, 1993 1995 2005."" 25 26 Section 3. Section 4, Chapter 749, Laws of 1991, is amended to read: 27 "Section 4. Termination. [This act] terminates June 30, 1993 2005." 28 29 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval. 30 -END-



- 2 -

1	HOUSE BILL NO. 188
2	INTRODUCED BY WISEMAN, WYATT, GALVIN, FORBES, RYAN, HIBBARD
3	BY REQUEST OF THE JUDICIAL UNIFICATION AND FINANCE COMMISSION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING STATE AND COUNTY RESPONSIBILITIES FOR
6	DISTRICT COURT FUNDING; ESTABLISHING A PROGRAM UNDER WHICH THE STATE WILL PAY A
7	PERCENTAGE OF CERTAIN COURT COSTS; ESTABLISHING A STATE SPECIAL REVENUE ACCOUNT FOR
8	STATE FUNDING OF CERTAIN COURT COSTS AND PROVIDING A STATUTORY APPROPRIATION OF
9	MONEY IN THE ACCOUNT; IMPOSING A LIGHT VEHICLE TAX FOR STATE FUNDING OF CERTAIN COURT
10	EXPENSES; PROVIDING THAT CASE FILINGS USED TO DETERMINE STATE PAYMENT OF COURT
11	REPORTER SALARIES BE DETERMINED BY FISCAL YEAR; REDUCING THE LOCAL OPTION TAX ON LIGHT
12	VEHICLES; REQUIRING A PUBLIC HEARING BEFORE THE LOCAL OPTION TAX ON LIGHT VEHICLES MAY
13	BE CHANGED; MAKING PERMANENT EXTENDING THE CURBENT DISPOSITION OF THE LOCAL OPTION
14	TAX REVENUE BETWEEN THE COUNTY AND CITIES WITHIN THE COUNTY; RAISING THE DISTRICT
15	COURT FEE FOR COURT REPORTERS AND REQUIRING THAT A PORTION OF THE FEE BE USED FOR
16	STATE FUNDING OF CERTAIN COURT COSTS; AMENDING SECTIONS 3-5-602, 3-5-901, 7-6-2352,
17	<del>17-7-502, 25-1-202, 61-3-509, AND</del> <u>SECTION</u> 61-3-537, MCA <del>; REPEALING</del> SECTION 4, CHAPTER 749,
18	LAWS OF 1991, AND SECTION 1, CHAPTER 217, LAWS OF 1993; AND PROVIDING EFFECTIVE DATES
19	AN IMMEDIATE EFFECTIVE DATE."
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