

FISCAL NOTE
MAY BE NECESSARY

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SENATE BILL NO. 51
INTRODUCED BY [Signature]

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE PENALTY FOR VIOLATION OF THE FUEL CONSERVATION SPEED LIMIT FROM \$5 TO \$26.85; USING THE INCREASE IN SPEEDING FINES TO DECREASE THE GASOLINE LICENSE TAX BY 0.347 CENTS; AMENDING SECTIONS 3-10-601, 15-70-204, AND 61-8-718, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 3-10-601, MCA, is amended to read:

"3-10-601. Collection and disposition of fines, penalties, forfeitures, and fees. (1) Each justice of the peace shall collect the fees prescribed by law for justices' courts and shall pay them into the county treasury of the county in which the justice of the peace holds office, on or before the 10th day of each month, to be credited to the general fund of the county.

(2) All fines, penalties, and forfeitures that ~~this code requires~~ are required to be imposed, collected, or paid in a justice's court must, for each calendar month, be paid by the justice's court on or before the 5th day of the following month to the treasurer of the county in which the justice's court is situated, except that they may be distributed as provided in 44-12-206 if imposed, collected, or paid for a violation of Title 45, chapter 9 or 10.

(3) ~~The~~ Except as provided in subsection (5), the county treasurer shall, in the manner provided in 15-1-504, distribute money received under subsection (2) as follows:

- (a) 50% to the state treasurer; and
- (b) 50% to the county general fund.
- (4) The state treasurer shall distribute money received under subsection (3) as follows:
 - (a) 44.81% to the state general fund;
 - (b) 9.09% to the fish and game account in the state special revenue fund;
 - (c) 11.76% to the state highway account in the state special revenue fund;
 - (d) 16.93% to the traffic education account in the state special revenue fund;
 - (e) 0.57% to the department of livestock account in the state special revenue fund;

1 (f) 15.9% to the crime victims compensation and assistance account in the state special revenue
2 fund; and

3 (g) 0.94% to the department of family services special revenue account for the battered spouses
4 and domestic violence grant program.

5 (5) The county treasurer shall distribute the fines for violations of 61-8-718 as follows:

6 (a) \$2.50 to the county general fund; and

7 (b) \$24.35 to the state treasurer, who shall distribute \$2.50 of each fine in accordance with
8 subsection (4) and shall deposit the remainder in the state special revenue fund to the credit of the
9 department of transportation for disposition as provided in 15-70-101."

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11 **Section 2.** Section 15-70-204, MCA, is amended to read:

12 **"15-70-204. (Temporary) Gasoline license tax -- rate.** (1) ~~Every~~ Each distributor shall pay to the
13 department of transportation a license tax for the privilege of engaging in and carrying on business in this
14 state in an amount equal to:

15 (a) 3 cents for each gallon of aviation fuel, which is allocated to the department of transportation
16 as provided by 67-1-301; and

17 (b) 26.653 cents for each gallon of all other gasoline distributed by the distributor within the state
18 and upon which the gasoline license tax has not been paid by any other distributor:

19 ~~(i) 24 cents per gallon beginning July 1, 1993; and~~

20 ~~(ii) 27 cents per gallon beginning July 1, 1994.~~

21 (2) Gasoline exported may not be included in the measure of the distributor's license tax unless
22 the distributor is not licensed and is not paying the tax to the state for which the fuel is destined ~~for~~.

23 (3) Alcohol that is blended or is to be blended with gasoline to be sold as gasohol is subject to a
24 tax per gallon equal to the license tax imposed on nonaviation gasoline distributors under subsection (1).

25 **15-70-204. (Effective on occurrence of contingency) Gasoline license tax -- rate.** (1) ~~Every~~ Each
26 distributor shall pay to the department of transportation a license tax for the privilege of engaging in and
27 carrying on business in this state in an amount equal to:

28 (a) 2 cents for each gallon of aviation fuel, which is allocated to the department of transportation
29 as provided by 67-1-301; and

30 (b) 26.653 cents for each gallon of all other gasoline distributed by the distributor within the state

1 and upon which the gasoline license tax has not been paid by any other distributor:

2 (i) ~~24 cents per gallon beginning July 1, 1993; and~~

3 (ii) ~~27 cents per gallon beginning July 1, 1994.~~

4 (2) Gasoline exported may not be included in the measure of the distributor's license tax unless
5 the distributor is not licensed and is not paying the tax to the state for which the fuel is destined ~~for~~.

6 (3) Alcohol that is blended or is to be blended with gasoline to be sold as gasohol is subject to a
7 tax per gallon equal to the license tax imposed on nonaviation gasoline distributors under subsection (1)."

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9 **Section 3.** Section 61-8-718, MCA, is amended to read:

10 "**61-8-718. Penalty for violation of fuel conservation speed limit.** (1) A person violating the speed
11 limit imposed pursuant to 61-8-304 is guilty of the offense of unnecessary waste of a resource and upon
12 conviction shall be fined ~~\$5 \$26.85, and no.~~ A jail sentence may not be imposed. Bond for this offense
13 ~~shall be \$5~~ is \$26.85.

14 (2) A violation of 61-8-304 is not a misdemeanor pursuant to 45-2-101, 61-8-104, or 61-8-711.

15 (3) The fine imposed under subsection (1) must be allocated as provided in 3-10-601(5)."

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17 **NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 1995.

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-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0051, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill increasing the penalty for violation of the fuel conservation speed limit from \$5 to \$26.85 and using the increase in speed limit fines to offset a decrease in gasoline license tax of 0.347 cents.

ASSUMPTIONS:

Department of Justice:

1. There were 59,074 fuel conservation speed limit tickets issued in calendar year 1994. The fine increase will cause the public to reduce vehicle speed on highways. A 20% decrease below calendar year 1994 in the number of tickets written is projected for FY96. A 10% decrease below calendar year 1994 in the number of tickets written is projected for FY97 as the public becomes more accustomed to the higher fine.
2. The estimate of the number of fuel conservation speed limit tickets includes only tickets written by the Highway Patrol. No estimate is made for tickets written by local sheriff or police officers.
3. There will be no material fiscal impact on the Department of Justice.

Department of Transportation:

4. The estimated number of taxable gallons of gasoline to be sold in FY96 and FY97 was established by the Revenue Oversight Committee on December 1, 1994.
5. There will be a one-time operating expense increase of about \$2,500 to notify distributors of the tax rate change, changes in tax returns, printing, and mailing.

FISCAL IMPACT:

Expenditures:

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
DOT General Operations Program:		
Operating expenses	2,500	0
Highways Special Revenue (02)	2,500	0

Revenue:

General Fund (01)	(13,236)	(6,618)
Highways Spec Rev - fines (02)	1,029,140	1,159,953
Highways Spec Rev - gas tax (02)	<u>(1,569,345)</u>	<u>(1,581,635)</u>
Total Highways Spec Rev (02)	(540,205)	(421,682)
Misc. State Accounts (02)	(12,828)	(6,413)

Net Impact:

All Funds	(568,769)	(434,713)
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(continued)

David Lewis 1-10-95
 DAVID LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 TERRY KLAMPE, PRIMARY SPONSOR DATE

Fiscal Note for SB0051, as introduced

SB 51

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

County general fund revenue from fuel conservation speed limit fines is estimated to decrease by \$29,500 in fiscal 1996 and \$14,800 in fiscal 1997 and fiscal years thereafter.

LONG RANGE EFFECTS OF PROPOSED LEGISLATION:

Based on the assumptions above, the fiscal impact for FY97 would continue into the future.