

House BILL NO. 530

INTRODUCED BY

Brainard

Wells

A BILL FOR AN ACT ENTITLED: "AN ACT REGULATING BICYCLES; REQUIRING BICYCLES OWNED BY PERSONS 16 YEARS OF AGE OR OLDER TO BE TITLED, REGISTERED, AND LICENSED AND TO COMPLY WITH THE MANDATORY LIABILITY PROTECTION LAW; REQUIRING BICYCLE RIDERS 16 YEARS OF AGE OR OLDER TO HAVE A BICYCLE ENDORSEMENT ON THEIR DRIVER'S LICENSES; AMENDING SECTIONS 15-1-501, 61-1-102, 61-3-107, 61-3-301, 61-3-313, 61-3-321, 61-3-332, 61-3-509, 61-5-107, 61-5-110, 61-5-111, 61-5-121, AND 61-6-302, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

Section 1. Section 15-1-501, MCA, is amended to read:

"15-1-501. Disposition of money from certain designated license and other taxes. (1) The state treasurer shall deposit to the credit of the state general fund in accordance with the provisions of subsection (6) all money received from the collection of:

(a) fees from driver's licenses, motorcycle and bicycle endorsements, and duplicate driver's licenses as provided in 61-5-121;

(b) electrical energy producer's license taxes under chapter 51;

(c) liquor license taxes under Title 16;

(d) telephone company license taxes under chapter 53; and

(e) inheritance and estate taxes under Title 72, chapter 16.

(2) All money received from the collection of income taxes under chapter 30 of this title must, in accordance with the provisions of subsection (6), be deposited as follows:

(a) 91.3% of the taxes to the credit of the state general fund;

(b) 8.7% of the taxes to the credit of the debt service account for long-range building program bonds as described in 17-5-408; and

(c) all interest and penalties to the credit of the state general fund.

(3) All money received from the collection of corporation license and income taxes under chapter 31 of this title, except as provided in 15-31-702, must, in accordance with the provisions of subsection

1 (6), be deposited as follows:

2 (a) 89.5% of the taxes to the credit of the state general fund;

3 (b) 10.5% of the taxes to the credit of the debt service account for long-range building program
4 bonds as described in 17-5-408; and

5 (c) all interest and penalties to the credit of the state general fund.

6 (4) The department of revenue shall also deposit to the credit of the state general fund all money
7 received from the collection of license taxes and fees and all net revenue and receipts from all other sources
8 under the operation of the Montana Alcoholic Beverage Code.

9 (5) Oil and natural gas production taxes allocated under 15-36-324(7)(a) must be deposited in the
10 general fund.

11 (6) Notwithstanding any other provision of law, the distribution of tax revenue must be made
12 according to the provisions of the law governing allocation of the tax that were in effect for the period in
13 which the tax revenue was recorded for accounting purposes. Tax revenue must be recorded as prescribed
14 by the department of administration, pursuant to 17-1-102(2) and (5), in accordance with generally
15 accepted accounting principles.

16 (7) All refunds of taxes must be attributed to the funds in which the taxes are currently being
17 recorded. All refunds of interest and penalties must be attributed to the funds in which the interest and
18 penalties are currently being recorded."

19

20 **Section 2.** Section 61-1-102, MCA, is amended to read:

21 **"61-1-102. Motor vehicle.** "Motor vehicle" means a vehicle propelled by its own power and
22 designed primarily to transport persons or property upon the highways of the state, except that for the
23 purpose of chapter 3, the term also includes bicycles owned by persons 16 years of age or older, trailers,
24 semitrailers, and housetrailers. For the purpose of chapter 3, parts 1 and 2, the term also includes campers.
25 For the purpose of chapters 5 and 6, the term includes bicycles owned by persons 16 years of age or older.
26 The Except as provided in this section, the term does not include a bicycle as defined in 61-1-123."

27

28 **Section 3.** Section 61-3-107, MCA, is amended to read:

29 **"61-3-107. Identification number for trailers, campers, and other vehicles.** (1) A trailer, semitrailer,
30 housetrailer, bicycle, or camper that does not have a manufacturer's or other identifying number ~~thereon~~

1 on it must be assigned an identification number by the department.

2 (2) The department may not issue a certificate of ownership or reissue a certificate of ownership
3 covering a vehicle on which the identification number has been altered, removed, obliterated, defaced,
4 omitted, or is otherwise absent unless the owner or other person lawfully in possession of the vehicle files
5 an application with the department, accompanied by a fee of \$5. The application must be on a form
6 provided by the department and must contain information required by the department for the assignment
7 of a special identification number for a vehicle. Upon receipt of the application and if the department is
8 satisfied that the applicant is entitled to the assignment of an identification number, the department shall
9 designate a special identification number for the vehicle. The department shall note the special identification
10 number on the application and on records to be kept by the department. This assigned identification number
11 must be stamped or securely attached in a conspicuous position on the vehicle in the manner and form
12 prescribed by the department.

13 (3) In a case where the true identity of a vehicle can be established by restoring the original
14 manufacturer's serial number or other distinguishing numbers or identification marks, the department may
15 not assign a special identification number and shall replace the vehicle's identification mark by duplicating
16 the manufacturer's full numeric or alphanumeric identification sequence. The department may replace an
17 identification mark only after conducting an inquiry to determine that ownership of the vehicle bearing a
18 restored identification mark has been lawfully transferred to the applicant. The applicant shall apply for and
19 the department shall replace the identification mark on the vehicle as required under subsection (2).

20 (4) Upon receipt by the department of a certificate of inspection completed by a peace officer or
21 authorized member of the department verifying that the identification number has been stamped or securely
22 attached in a conspicuous position upon the vehicle, accompanied by an application for a certificate of
23 ownership and the required fee, the department shall use the number as the numeric or alphanumeric
24 identification mark for the vehicle in any certificate of ownership that may be issued."

25

26 **Section 4.** Section 61-3-301, MCA, is amended to read:

27 **"61-3-301. Registration -- license plate required -- display.** (1) Except as otherwise provided in this
28 chapter, ~~no~~ a person may not operate a motor vehicle upon the public highways of Montana unless the
29 vehicle is properly registered and has the proper number plates conspicuously displayed, one on the front
30 and one on the rear of the vehicle, each securely fastened to prevent it from swinging and unobstructed

1 from plain view, except that trailers, semitrailers, quadricycles, motorcycles, bicycles, and vehicles
2 authorized in 61-4-102(6) to display demonstrator plates may have but one number plate conspicuously
3 displayed on the rear. ~~No~~ A person may not display on a vehicle at the same time a number assigned to
4 it under any motor vehicle law except as provided in this chapter. A junk vehicle, as defined in Title 75,
5 chapter 10, part 5, being driven or towed to an auto wrecking graveyard for disposal is exempt from the
6 provisions of this section.

7 (2) ~~No~~ A person may not purchase or display on a vehicle a license plate bearing the number
8 assigned to any county as provided in 61-3-332 other than the county of ~~his~~ the person's permanent
9 residence at the time of application for registration. However, the owner of any motor vehicle requiring a
10 license plate on any motor vehicle used in the public transportation of persons or property may make
11 application for the license in any county through which the motor vehicle passes in its regularly scheduled
12 route, and the license plate issued bearing the number assigned to that county may be displayed on the
13 motor vehicle in any other county of the state.

14 (3) It is unlawful to use license plates issued to one vehicle on any other vehicle, trailer, or
15 semitrailer unless legally transferred as provided by statute, or to repaint old license plates to resemble
16 current license plates.

17 (4) This section does not apply to a vehicle exempt from taxation under 15-6-215 or subject to
18 taxation under 61-3-520.

19 (5) Any person violating these provisions is guilty of a misdemeanor and subject to the penalty
20 prescribed in 61-3-601."

21
22 **Section 5.** Section 61-3-313, MCA, is amended to read:

23 **"61-3-313. Vehicles subject to staggered registration.** For purposes of 61-3-313 through
24 61-3-316, "vehicle" means a motor vehicle, as defined in 61-1-102, that is subject to annual registration
25 in this state except:

26 (1) vehicles owned or leased and operated by the government of the United States or by the state
27 of Montana or a political subdivision of the state;

28 (2) mobile homes and motor homes;

29 (3) vehicles that are registered in accordance with or subject to 61-3-332(10)(c)(i)(A), 61-3-411,
30 or 61-3-421;

- 1 (4) trucks exceeding a 1-ton rated capacity;
- 2 (5) trailers, semitrailers, tractors, buses, motorcycles, quadricycles, bicycles, and motor-driven
3 cycles;
- 4 (6) special mobile equipment as defined in 61-1-104;
- 5 (7) motor vehicles registered as part of a fleet under 61-3-318; and
- 6 (8) apportionable vehicles registered as part of a fleet, as defined in 61-3-712, that is subject to
7 the provisions of 61-3-711 through 61-3-733."
- 8

9 **Section 6.** Section 61-3-321, MCA, is amended to read:

10 **"61-3-321. Registration fees of vehicles -- public-owned vehicles exempt from license or**
11 **registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or
12 reregistration of motor vehicles, trailers, housetrailers, and semitrailers, in accordance with this chapter,
13 as follows:

- 14 (a) motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5;
- 15 (b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;
- 16 (c) electrically driven passenger vehicles, \$10;
- 17 (d) all motorcycles, bicycles, and quadricycles, \$2;
- 18 (e) tractors or trucks, \$10;
- 19 (f) buses, which are classed as motortrucks, licensed accordingly;
- 20 (g) trailers and semitrailers less than 2,500 pounds declared weight and housetrailers of all weights,
21 \$2;
- 22 (h) trailers and semitrailers over 2,500 up to 6,000 pounds declared weight, ~~except housetrailers~~,
23 \$5;
- 24 (i) trailers and semitrailers over 6,000 pounds declared weight, \$10, except trailers and semitrailers
25 registered in other jurisdictions and registered through a proportional registration agreement;
- 26 (j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil
27 and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually,
28 regardless of size or capacity.
- 29 (2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with
30 pneumatic tires.

1 (3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car, that
2 is used for towing a trailer or semitrailer.

3 (4) If any motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after
4 the time of registration as set by law, the registration or license fee for the remainder of the year is one-half
5 of the regular fee.

6 (5) An additional fee of \$5.25 a year for each registration of a vehicle, except trailers and
7 semitrailers registered in other jurisdictions and registered through a proportional registration agreement,
8 must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county
9 treasurers to the state treasurer for deposit in the general fund. The department shall distribute 25 cents
10 from the motor vehicle registration fee for payment of supplemental benefits provided for in 19-6-709.

11 (6) A fee of \$2 for each set of new number plates must be collected when number plates provided
12 for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).

13 (7) The provisions of this part with respect to the payment of registration fees do not apply to and
14 are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United
15 States of America or any state, county, city, or special district, as defined in 18-8-202.

16 (8) The provisions of this section relating to the payment of registration fees or new number plate
17 fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332,
18 or 61-3-335. (See compiler's comments for contingent termination of certain text.)"

19
20 **Section 7.** Section 61-3-332, MCA, is amended to read:

21 **"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of
22 Montana must display both front and rear number plates, bearing the distinctive number assigned to the
23 vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor
24 vehicles of the motorcycle, bicycle, or quadricycle type, one for trailers, one for trucks, one for dealers in
25 vehicles of the motorcycle or quadricycle type that bear the distinctive letters "MCD" or the letters "MC"
26 and the word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new
27 and used motorcars (including trucks and trailers) that bear the distinctive letter "D" or the word "DEALER",
28 one for dealers in used motorcars only (including used trucks and trailers) that bear the distinctive letters
29 "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used)
30 that bear the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in

1 recreational vehicles that bear the distinctive letters "RV" or the letter "R" and the word "DEALER", and
2 one for special license plates. All markings for the various kinds of dealers' plates must be placed on the
3 number plates assigned to the dealer, in the position that the department designates.

4 (2) All number plates for motor vehicles must be issued for a minimum period of 4 years, bear a
5 distinctive marking, and be furnished by the state. In years when number plates are not issued, the
6 department shall provide nonremovable stickers bearing appropriate registration numbers that must be
7 affixed to the license plates in use.

8 (3) Subject to the provisions of this section, the department shall create a new design for number
9 plates as provided in this section.

10 (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in
11 length. The outline of the state of Montana must be used as a distinctive border on the license plates, and
12 the word "Montana" and the year must be placed across the plates. Registration plates must be treated
13 with a reflectorized background material according to specifications prescribed by the department.

14 (5) The distinctive registration numbers must begin with a number one or with a letter-number
15 combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The
16 distinctive registration number or letter-number combination assigned to the vehicle must appear on the
17 plate preceded by the number of the county and appearing in horizontal order on the same horizontal
18 baseline. The county number must be separated from the distinctive registration number by a separation
19 mark unless a letter-number combination is used. The dimensions of the numerals and letters must be
20 determined by the department, and all county and registration numbers must be of equal height.

21 (6) For the use of tax-exempt motor vehicles, in addition to the markings provided in this section,
22 number plates must bear the following distinctive markings:

23 (a) For vehicles owned by the state, the department may designate the prefix number for the
24 various state departments. All numbered plates issued to state departments must bear the words "State
25 Owned", and a year number may not be indicated on the plates because these numbered plates are of a
26 permanent nature and will be replaced by the department only when the physical condition of numbered
27 plates requires it.

28 (b) For vehicles that are owned by the counties, municipalities, and special districts, as defined in
29 18-8-202, organized under the laws of Montana and not operating for profit, and that are used and
30 operated by officials and employees in the line of duty and for vehicles on loan from the United States

1 government or the state of Montana to, or owned by, the civil air patrol and used and operated by officials
 2 and employees in the line of duty, there must be placed on the number plates assigned, in a position that
 3 the department may designate, the letter "X" or the word "EXEMPT". Distinctive registration numbers for
 4 plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and
 5 special districts that obtain plates within each county must begin with number one and be numbered
 6 consecutively. Because these number plates are of a permanent nature, they are subject to replacement
 7 by the department only when the physical condition of the number plates requires it and a year number may
 8 not be displayed on the number plates.

9 (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than
 10 tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates
 11 assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and
 12 housetrailer. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the
 13 motorcycle or quadricycle type. The letters "BC" must appear on plates assigned to bicycles.

14 (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the bicycle, motorcycle,
 15 or quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or bicycle-type,
 16 ~~motorcycle-~~ motorcycle-type, or quadricycle-type vehicle. A registration or license fee may not be assessed
 17 upon a transfer of a number plate under 61-3-317 and 61-3-335.

18 (9) For the purpose of this chapter, the several counties of the state are assigned numbers as
 19 follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead,
 20 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson,
 21 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23;
 22 Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31;
 23 Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon,
 24 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46;
 25 Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral,
 26 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they
 27 may be formed, beginning with the number 57.

28 (10) Each type of special license plate approved by the legislature, except collegiate license plates
 29 authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except
 30 that the county number must be replaced by a nonremovable design or decal designating the group or

1 organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special
2 plates are subject to the same rules and laws as govern the issuance of regular license plates, must be
3 placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed
4 upon sale or other disposition of the vehicle. The special license plates must be issued to national guard
5 members, former prisoners of war, handicapped persons, reservists, disabled veterans, survivors of the
6 Pearl Harbor attack, veterans of the armed services, or veterans of the armed services who were awarded
7 the purple heart medal, who comply with the following provisions:

8 (a) An active member of the Montana national guard may be issued special license plates with a
9 design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the
10 Montana national guard a certificate authorizing the department to issue national guard plates, numbered
11 in sets of two with a different number on each set, and the member shall surrender the plates to the
12 department upon becoming ineligible to use them.

13 (b) An active member of the reserve armed forces of the United States of America who is a
14 resident of this state may be issued special license plates with a design or decal displaying the following:
15 United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force
16 reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding
17 officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate
18 authorizing the issuance of special license plates, numbered in sets of two with a different number on each
19 set. The member shall surrender the plates to the department upon becoming ineligible to use them.

20 (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who
21 is 100% disabled because of an injury that has been determined by the department of veterans affairs to
22 be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

23 (A) a special license plate under this section with a design or decal displaying the letters "DV"; or

24 (B) one set of any other military-related plates that the disabled veteran is eligible to receive under
25 this section.

26 (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle
27 or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that
28 vehicle under this chapter.

29 (iii) Special license plates issued to a disabled veteran are not transferable to another person.

30 (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one

1 vehicle.

2 (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled
3 veteran is entitled to the parking privileges allowed a handicapped person's vehicle under this title.

4 (d) A Montana resident who is a veteran of the armed forces of the United States and was
5 captured and held prisoner by a military force of a foreign nation, documented by the veteran's service
6 record, may upon application and presentation of proof be issued special license plates, numbered in sets
7 of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of
8 war" or an abbreviation the department considers appropriate.

9 (e) Except as provided in subsection (10)(c), upon payment of all taxes and fees required by parts
10 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the applicant meets
11 the requirements of this subsection (e), the department shall issue to a Montana resident who is a veteran
12 of the armed services of the United States special license plates, numbered in sets of two with a different
13 number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the
14 applicant was a member of the United States armed forces on December 7, 1941, was on station on
15 December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island
16 of Oahu, or offshore at a distance of not more than 3 miles, and received an honorable discharge from the
17 United States armed forces. If special license plates issued under this subsection are lost, stolen, or
18 mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

19 (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of
20 a veteran of the armed services of the United States may be issued license plates inscribed as provided in
21 subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable
22 circumstances or was awarded the purple heart medal:

23 (i) Upon submission of a department of defense form 214(DD-214) or its successor or documents
24 showing an other-than-dishonorable discharge or a reenlistment, proper identification, and other relevant
25 documents to show an applicant's qualification under this subsection, there must be issued to the applicant,
26 in lieu of the regular license plates prescribed by law, special license plates numbered in sets of two with
27 a different number on each set. The plates must display:

28 (A) the word "VETERAN" and a symbol signifying the United States army, United States navy,
29 United States air force, United States marine corps, or United States coast guard, according to the record
30 of service verified in the application; or

1 (B) a symbol representing the purple heart medal.

2 (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a
3 qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle
4 owned by the veteran or the veteran's surviving spouse designated in the application and must be removed
5 upon sale or other disposition of the vehicle.

6 (iii) Except as provided in subsection (10)(c), a veteran or surviving spouse who receives special
7 license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts
8 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an
9 original application for a license under this subsection (10)(f), the county treasurer shall:

10 (A) deposit \$3 of the special fee in the county general fund;

11 (B) remit \$1 for deposit in the state general fund; and

12 (C) deposit the remainder of the special fee in the state special revenue account established in
13 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemetery.

14 (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the
15 special fee as provided in subsection (10)(f)(iii)(C).

16 (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may,
17 upon written application on a form prescribed by the department, be issued a special license plate with a
18 design or decal bearing a representation of a wheelchair as the symbol of the handicapped person."
19

20 **Section 8.** Section 61-3-509, MCA, is amended to read:

21 **"61-3-509. Disposition of taxes.** (1) (a) Except as provided in subsection (2), the county treasurer
22 shall, after deducting the district court fee, credit all taxes on motor vehicles and fees in lieu of tax on
23 motorcycles, motor homes, travel trailers, and campers collected under 61-3-504, 61-3-521, 61-3-527, and
24 61-3-537 to a motor vehicle suspense fund, and at some time between March 1 and March 10 of each year
25 and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle
26 suspense fund in the relative proportions required by the levies for state, county, school district, and
27 municipal purposes in the same manner as personal property taxes are distributed.

28 (b) The county treasurer shall deposit all fees in lieu of tax on bicycles collected under [section 9]
29 in the county general fund. The money may be used for the development of bike paths.

30 (2) The county treasurer shall deduct as a district court fee 7% of the amount of the 2% tax

1 collected on an automobile or truck having a rated capacity of 1 ton or less. The county treasurer shall
2 credit the fee for district courts to a separate suspense account and shall forward the amount in the
3 account to the state treasurer at the time that the county treasurer distributes the motor vehicle suspense
4 fund. The state treasurer shall credit amounts received under this subsection to the general fund to be used
5 for purposes of state funding of the district court expenses as provided in 3-5-901."

6
7 **NEW SECTION. Section 9. Fee in lieu of tax for bicycles.** There is a fee in lieu of property tax
8 imposed on bicycles. The fee is in addition to annual registration fees. The fee imposed by this section
9 is \$18.

10
11 **Section 10.** Section 61-5-107, MCA, is amended to read:

12 **"61-5-107. Application for license, instruction permit, or motorcycle, or bicycle endorsement.** (1)
13 Each application for an instruction permit, driver's license, bicycle endorsement, or motorcycle endorsement
14 must be made upon a form furnished by the department. A motorcycle endorsement is required for the
15 operation of a quadricycle. Each application must be accompanied by the proper fee, and payment of the
16 fee entitles the applicant to not more than three attempts to pass the examination within a period of 6
17 months from the date of application. A voter registration form for mail registration as prescribed by the
18 secretary of state must be attached to each driver's license application. If the applicant wishes to register
19 to vote, the department shall accept the registration and forward the form to the election administrator.

20 (2) Each application must state the full name, date of birth, sex, and residence address of the
21 applicant, must briefly describe the applicant, and must state whether:

22 (a) the applicant has previously been licensed as a driver or commercial vehicle operator, and, if
23 so, when and by what state or country;

24 (b) any commercial operator license has ever been suspended or revoked; or

25 (c) an application has ever been refused, and, if so, the date of and reason for suspension,
26 revocation, or refusal.

27 (3) When application is received from an applicant previously licensed by another jurisdiction, the
28 department shall request a copy of the applicant's driving record from the previous licensing jurisdiction.
29 The driving record may be transmitted manually or by electronic medium. When received, the driving
30 records become a part of the driver's record in this state with the same force and effect as though entered

1 on the driver's record in this state in the original instance."
2

3 **Section 11.** Section 61-5-110, MCA, is amended to read:

4 **"61-5-110. (Temporary) Examination of applicants -- cooperative driver testing programs. (1) (a)**

5 The department shall examine each applicant for a driver's license, bicycle endorsement, or motorcycle
6 endorsement, except as otherwise provided in this section. The examination must include a test of the
7 applicant's eyesight, a knowledge test examining the applicant's ability to read and understand highway
8 signs and the applicant's knowledge of the traffic laws of this state, and, except as provided in 61-5-118
9 and in subsection (1)(b) of this section, a road test or a skills test demonstrating the applicant's ability to
10 exercise ordinary and reasonable control in the operation of a motor vehicle, quadricycle, or motorcycle.
11 The examination for the commercial driver's license may include additional items. The knowledge test and
12 the road test or the skills test must be waived for an applicant who works in a farm-related service industry
13 and who otherwise meets the requirements for a seasonal commercial driver's license as set forth in this
14 title and rules adopted by the department. The knowledge test or road test, or both, may be waived by the
15 department upon certification of the applicant's successful completion of the test by a certified cooperative
16 driver testing program, as provided in subsection (2).

17 (b) A road test or a skills test is not required for a person seeking a bicycle endorsement.

18 (2) The department is authorized to certify as a cooperative driver testing program any
19 state-approved high school traffic education course offered by or in cooperation with a school district that
20 employs an approved instructor who has current endorsement from the superintendent of public instruction
21 as a teacher of traffic education and who agrees to:

22 (a) administer standardized knowledge and road tests required by the department to students
23 participating in the district's high school traffic education courses:

24 (b) certify the test results to the department; and

25 (c) comply with regulations of the department and the superintendent of public instruction.

26 (3) Except as otherwise provided by law, a resident who has a valid driver's license issued by
27 another state may surrender that license for a Montana license of the same class, type, and endorsement
28 upon payment of the required fees, successful completion of a vision examination, and, if requested by the
29 examiner, completion of either the knowledge test or road test, or both. In addition, a resident surrendering
30 a commercial driver's license issued by another state shall successfully complete any examination required

1 by federal regulations before being issued a commercial driver's license by the department. (Terminates
2 September 30, 1999--sec. 12, Ch. 53, L. 1995.)

3 **61-5-110. (Effective October 1, 1999) Examination of applicants -- cooperative driver testing**
4 **programs.** (1) (a) The department shall examine each applicant for a driver's license, bicycle endorsement,
5 or motorcycle endorsement, except as otherwise provided in this section. The examination must include
6 a test of the applicant's eyesight, a knowledge test examining the applicant's ability to read and understand
7 highway signs and the applicant's knowledge of the traffic laws of this state, and except as provided in
8 subsection (1)(b) of this section, a road test or a skills test demonstrating the applicant's ability to exercise
9 ordinary and reasonable control in the operation of a motor vehicle, quadricycle, or motorcycle. The
10 examination for the commercial driver's license may include additional items. The knowledge test and the
11 road test or the skills test must be waived for an applicant who works in a farm-related service industry and
12 who otherwise meets the requirements for a seasonal commercial driver's license as set forth in this title
13 and rules adopted by the department. The knowledge test or road test, or both, may be waived by the
14 department upon certification of the applicant's successful completion of the test by a certified cooperative
15 driver testing program, as provided in subsection (2).

16 (b) A road test or a skills test is not required for a person seeking a bicycle endorsement.

17 (2) The department is authorized to certify as a cooperative driver testing program any
18 state-approved high school traffic education course offered by or in cooperation with a school district that
19 employs an approved instructor who has current endorsement from the superintendent of public instruction
20 as a teacher of traffic education and who agrees to:

21 (a) administer standardized knowledge and road tests required by the department to students
22 participating in the district's high school traffic education courses:

23 (b) certify the test results to the department; and

24 (c) comply with regulations of the department and the superintendent of public instruction.

25 (3) Except as otherwise provided by law, a resident who has a valid driver's license issued by
26 another state may surrender that license for a Montana license of the same class, type, and endorsement
27 upon payment of the required fees, successful completion of a vision examination, and, if requested by the
28 examiner, completion of either the knowledge test or road test, or both. In addition, a resident surrendering
29 a commercial driver's license issued by another state shall successfully complete any examination required
30 by federal regulations before being issued a commercial driver's license by the department."

1 **Section 12.** Section 61-5-111, MCA, is amended to read:

2 **"61-5-111. Renewals, expirations, and fees for licenses, permits, and endorsements -- notice of**
3 **expiration.** (1) The department may appoint county treasurers and other qualified officers to act as its
4 agents for the sale of driver's licenses receipts and shall make necessary rules governing sales. In areas in
5 which the department provides driver licensing services 3 days or more a week, the department is
6 responsible for sale of receipts and may, in its discretion, appoint an agent to sell receipts. The department,
7 upon receipt of payment of the fees specified in this section, shall issue a driver's license to each qualifying
8 applicant. The license must contain a full-face photograph of the licensee in the size and form prescribed
9 by the department; a distinguishing number issued to the licensee; the full name, date of birth, Montana
10 mailing address, and a brief description of the licensee; and either the licensee's signature or a digital
11 reproduction of the licensee's signature. A license is not valid until it is signed by the licensee.

12 (2) (a) When a person applies for renewal of a driver's license, the department shall test the
13 applicant's eyesight and, in the department's discretion, may have the applicant complete a road test
14 demonstrating the applicant's ability to operate and to exercise ordinary and reasonable care in the
15 operation of a motor vehicle.

16 (b) In the case of a commercial driver's license, the department may also require that the applicant
17 successfully complete a written examination as required by federal regulations.

18 (c) A person is considered to have applied for renewal of a Montana driver's license if the
19 application is made within 6 months before or 3 months after the expiration of the person's license.

20 (d) The department shall mail a driver's license renewal notice no earlier than 60 days and no later
21 than 30 days prior to the expiration date of a commercial driver's license if the licensee has previously
22 submitted a written request for the notice, either at the time of initial application or of renewal of the
23 license.

24 (3) (a) Except as provided in subsections (3)(b) and (3)(c), a license expires on the anniversary of
25 the licensee's birthday 8 years or less after the date of issue or on the licensee's 75th birthday, whichever
26 occurs first. The department may adopt rules to stagger the implementation of the conversion to an 8-year
27 license cycle over a 4-year period.

28 (b) A license issued to a person who is 75 years of age or older expires on the anniversary of the
29 licensee's birthday 4 years or less after the date of issue.

30 (c) A license issued to a person who is under 21 years of age expires on the licensee's 21st

1 birthday.

2 (4) Whenever the department issues an original license to a person under the age of 18 years, the
3 license must be designated and clearly marked as a "provisional license". Any license designated and
4 marked as provisional may be suspended by the department for a period of not more than 12 months when
5 its records disclose that the licensee, subsequent to the issuance of the license, has been guilty of careless
6 or negligent driving.

7 (5) It is unlawful for any person to have in the person's possession or under the person's control
8 more than one valid Montana driver's license at any one time. A license is not valid for the operation of a
9 motorcycle, bicycle, or quadricycle unless the holder of the license has completed the requirements of
10 61-5-110 and the license has been clearly marked with the words "motorcycle endorsement" or "bicycle
11 endorsement". A license is not valid for the operation of a commercial vehicle unless the holder of the
12 license has completed the requirements of 61-5-110 and the license has been clearly marked with the
13 words "commercial driver's license".

14 (6) Fees for driver's licenses are:

15 (a) driver's license, except a commercial driver's license -- \$4 per year or fraction of a year;

16 (b) motorcycle or bicycle endorsement -- 50 cents per year or fraction of a year;

17 (c) commercial driver's license:

18 (i) interstate -- \$5 per year or fraction of a year;

19 (ii) intrastate -- \$3.50 per year or fraction of a year.

20 (7) The holder of a valid chauffeur's license may convert or renew the chauffeur's license to a
21 commercial driver's license by paying the appropriate fee and complying with the requirements established
22 by the department."

23

24 **Section 13.** Section 61-5-121, MCA, is amended to read:

25 "**61-5-121. Disposition of fees.** (1) The disposition of the fees from driver's licenses provided for
26 in 61-5-111~~(7)(a)~~(6)(a), motorcycle and bicycle endorsements provided for in 61-5-111~~(7)(b)~~(6)(b),
27 commercial driver's licenses provided for in 61-5-111~~(7)(c)~~(6)(c), and duplicate driver's licenses provided
28 for in 61-5-114 is as follows:

29 (a) The amount of 25% of each driver's license fee and of each duplicate driver's license fee must
30 be deposited into an account in the state special revenue fund. The department shall transfer the funds

1 from this account to the Montana highway patrol officers' retirement pension trust fund as provided in
2 19-6-404.

3 (b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount
4 of 3.75% of each driver's license fee and of each duplicate driver's license fee must be deposited into the
5 county general fund.

6 (ii) If the fees are collected by the department, the amount provided for in subsection (1)(b)(i) must
7 be deposited into the general fund.

8 (c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount
9 of 5% of each motorcycle ~~endorsement~~ and bicycle endorsements must be deposited into the county
10 general fund.

11 (ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must
12 be deposited into the general fund.

13 (d) The amount of 26.25% of each driver's license fee and of each duplicate driver's license fee
14 must be deposited into the state traffic education account.

15 (e) In addition to the amounts deposited pursuant to subsections (1)(b)(ii) and (1)(c)(ii), the amount
16 of 54.55% of each driver's license fee and of each duplicate driver's license fee must be deposited into the
17 state general fund.

18 (f) If the fee is collected by the county treasurer or other agent of the department, the amount of
19 3.75% of each commercial driver's license fee must be deposited into the county general fund, otherwise
20 all of the fee must be deposited in the state general fund.

21 (g) The amount of 95% of each motorcycle endorsement fee must be deposited into the state
22 traffic education account in the state special revenue fund.

23 (2) (a) If fees from driver's licenses, commercial driver's licenses, motorcycle and bicycle
24 endorsements, and duplicate driver's licenses are collected by a county treasurer or other agent of the
25 department, the county treasurer or agent shall deposit the amounts provided for in subsections (1)(b)(i)
26 and (1)(c)(i) into the county general fund. The county treasurer or agent shall then remit to the state
27 treasurer all remaining fees, together with a statement indicating what portion of each fee is to be deposited
28 into the account in the state special revenue fund as provided in subsection (1)(a) and the state general
29 fund. The state treasurer, upon receipt of the fees and statement, shall deposit the fees as provided in
30 subsections (1)(a) and (1)(d) through (1)(g).

1 (b) If fees from driver's licenses, commercial driver's licenses, motorcycle and bicycle
2 endorsements, and duplicate driver's licenses are collected by the department, it shall remit all fees to the
3 state treasurer, together with a statement indicating what portion of each fee is to be deposited into the
4 account in the state special revenue fund as provided in subsection (1)(a), the state special revenue fund,
5 and the state general fund. The state treasurer, upon receipt of the fees and statement, shall deposit the
6 fees as provided in subsections (1)(a), (1)(b)(ii), (1)(c)(iii), and (1)(d) through (1)(g)."

7
8 **Section 14.** Section 61-6-302, MCA, is amended to read:

9 "**61-6-302. Proof of compliance.** (1) The registration receipt required by 61-3-322 must contain
10 a statement that unless the vehicle is eligible for an exemption under 61-6-303, it is unlawful to operate
11 the vehicle without a valid motor vehicle liability insurance policy, a certificate of self-insurance, or a posted
12 indemnity bond, as required by 61-6-301.

13 (2) Each person shall carry in a motor vehicle being operated by the person or shall carry on the
14 person an insurance card approved by the department but issued by the insurance carrier to the motor
15 vehicle owner as proof of compliance with 61-6-301. A motor vehicle operator shall exhibit the insurance
16 card upon demand of a justice of the peace, a city or municipal judge, a peace officer, a highway patrol
17 officer, or a field deputy or inspector of the department. A person commits an offense under this subsection
18 if the person fails to carry the insurance card in a motor vehicle or fails to exhibit the insurance card upon
19 demand of a person specified in this subsection. However, a person charged with violating this subsection
20 may not be convicted if the person produces in court or the office of the arresting officer proof of insurance
21 valid at the time of arrest."

22
23 **NEW SECTION. Section 15. Effective date.** [This act] is effective January 1, 1998.

24 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0530, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act regulating bicycles; requiring bicycles owned by persons 16 years of age or older to be titled, registered, and licensed and to comply with the mandatory liability protection law; requiring bicycle riders 16 years of age or older to have a bicycle endorsement on their driver's licenses.

ASSUMPTIONS:

1. HB 530 would be effective January 1, 1998. The registration for bicycles expires December 31st and the grace period expires February 15th.
2. The 1990 U.S. Census figures reflect Montana's population 16 years old and older as being 599,749. Of the 599,749, 74,001 are age 70 or older. For the purposes of this fiscal note, the 74,001 Montanans age 70 and older from the 1990 census are excluded from the calculations.
3. It is assumed that 35% of Montana's population ages 16 to 69 own a bicycle, resulting in approximately 184,000 individuals being required to title, license and register their bicycles and to obtain a bicycle endorsement during calendar year 1998. It is assumed that 60% of those activities would occur in fiscal 1998 ($184,000 \times 60\% = 110,400$) and 40% in fiscal 1999 ($184,000 \times 40\% = 73,600$). Activities in fiscal 1999 also would include those acquiring new bicycles, becoming 16 years old, and renewals. Therefore, it is assumed that total activities in fiscal 1999 would be approximately 77,700 titling transactions ($73,600 + 4,100 \text{ new} = 77,700$) and 110,400 registration renewals.

Motor Vehicle/Bicycle Titling and Registration:

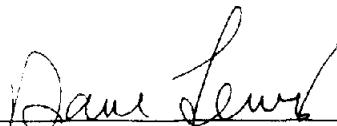
4. Each first-time bicycle registration would cost the bicycle owner \$34.75 including \$5.00 for a title fee (\$1.50 to county general fund and \$3.50 to state general fund), \$2.00 new plate fee (state general fund), \$2.00 license fee (county road fund), \$18.00 fee in lieu of tax (county general fund - bike paths), \$5.25 registration fee (\$5.00 state general fund and \$0.25 state special revenue-MHP retirement fund), \$1.50 weed fee (state general fund), and \$1.00 county motor vehicle computer fee (state general fund).

Projected 110,400 first-time title and registration transactions in fiscal 1998 would generate a total of \$3,836,400 fees including \$1,435,200 for the state general fund ($110,400 \times \$13.00 = \$1,435,200$); \$27,600 for the state special revenue - MHP retirement fund ($110,400 \times \$0.25 = \$27,600$); \$2,152,800 for the county general fund ($110,400 \times \$19.50 = \$2,152,800$); and \$220,800 for the county road fund ($110,400 \times \$2.00 = \$220,800$).

Projected 77,700 first-time title and registration transactions in fiscal 1999 would generate a total of \$2,700,075 fees including \$1,010,100 for the state general fund ($77,700 \times \$13.00 = \$1,010,100$); \$19,425 for the state special revenue - MHP retirement fund ($77,700 \times \$0.25 = \$19,425$); \$1,515,150 for the county general fund ($77,700 \times \$19.50 = \$1,515,150$); and \$155,400 for the county road fund ($77,700 \times \$2.00 = \$155,400$).

Additionally, in fiscal 1999, approximately 110,400 bicycle registrations would be renewed generating a total of \$3,063,600 of fees including \$828,000 for the state general fund ($110,400 \times \$7.50 = \$828,000$); \$27,600 for the state special revenue - MHP retirement fund ($110,400 \times \$0.25 = \$27,600$); \$1,987,200 for the county general fund ($110,400 \times \$18.00 = \$1,987,200$); and \$220,800 for the county road fund ($110,400 \times \$2.00 = \$220,800$).

(Continued)

 2-18-97
DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

MATT BRAINARD, PRIMARY SPONSOR DATE

Fiscal Note for HB0530, as introduced

HB 530

(continued)

5. The Department of Justice (DOJ) would need 11 additional employees in calendar 1998 - eight to process the bicycle titling transactions (Grade 9 @ \$21,964 personal services for each FTE), and three to process the microfilming of those documents (Grade 7 @ \$19,116 personal services for each FTE). In calendar 1999, the DOJ would retain four employees to handle the continuing bicycle titling workload (3 Grade 9 and 1 Grade 7). Personal service expenditures would be increased by \$116,530 in fiscal 1998 (5.5 FTE) and \$159,034 in fiscal 1999 (7.5 FTE).
6. Operating costs are estimated at \$15,700 in fiscal 1998 and \$21,400 in fiscal 1999 for computer access and processing, supplies, printing of forms, titles and validation decals, and postage. Operating expenses in fiscal 1999 would increase by \$24,300 for the required mail renewal notices printing, computer time, and postage. (\$0.22 each x 110,400 notices = \$24,300)

Bicycle Endorsements:

7. Based on the assumption that 110,400 individuals would obtain a bicycle endorsement in fiscal 1998 and 77,700 in fiscal 1999, total fees collected for the bicycle endorsements would be \$248,400 in fiscal 1998 and \$224,505 in fiscal 1999. This estimate is based on the assumption that in fiscal 1998 the population falls equally within the eight different renewal time periods until driver license expiration dates and that 60 percent would be processed in fiscal 1998 and 40 percent in fiscal 1999. Also, it is assumed that 4,100 individuals would obtain bicycle endorsements due to attaining the age of 16, moving into the state, or obtaining their original bicycle endorsement. Total estimated fees collected would generate revenues for the state general fund of approximately \$246,192 in fiscal 1998 and \$222,509 in fiscal 1999, and for the county general fund approximately \$2,208 in fiscal 1998 and \$1,996 in fiscal 1999.
8. To handle the increased workload, the DOJ would need to hire 2.00 FTE (grade 7) for January through June of 1998 and continuing into fiscal 1999. Personal service expenditures would increase by \$19,116 in fiscal 1998 and \$38,232 in fiscal 1999. In addition \$16,400 would be needed each year for contracted services to assist with implementation of the bicycle endorsement and at peak work load periods.
9. Operating costs are estimated at \$5,000 in fiscal 1998 and \$10,000 in fiscal 1999 for printing forms and manuals, communications supplies, and computer access and processing time.
10. One-time equipment costs in fiscal 1998 would be \$6,700 for computers, printers, and other office equipment.
11. The department would also incur a one-time expense in fiscal 1998 of \$16,800 for computer programming necessary to make changes in the motor vehicle system to allow for the titling and registration of bicycles and to update the tab management system and tab inventory programs; and in the driver control system to allow for a bicycle endorsement, changes to the problem driver pointer system and the commercial driver license information system.

FISCAL IMPACT:

	<u>FY98</u>	<u>FY99</u>
<u>Expenditures:</u>	<u>Difference</u>	<u>Difference</u>
FTE	6.5	9.5
Personal Services	135,646	197,266
Operating Expenses	53,900	72,100
Equipment	6,700	0
Total	<u>196,246</u>	<u>269,366</u>

Funding:

General Fund (01)	196,246	269,366
-------------------	---------	---------

Revenues:

Bicycle Titling and Registration	3,836,400	5,763,675
Bicycle Endorsements	<u>248,400</u>	<u>224,505</u>
Total	4,084,800	5,988,180

Net Impact on Fund Balance:

State General Fund (01)	1,485,146	1,791,243
State Special Revenue (MHP Ret)	27,600	47,025
County General Fund	2,155,008	3,504,346
County Road Fund	<u>220,800</u>	<u>376,200</u>
Total	3,888,554	5,718,814

(Continued)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Although the counties would have an increase in revenues, there would be an off-set with increased workload costs for bicycle titling and registration.

The implementation of HB 530 would impact local law enforcement.

TECHNICAL NOTES:

Even though a road test or a skills test is not required for a person seeking a bicycle endorsement, Section 12 part 5 states that a license is not valid for the operation of a bicycle unless the license has been clearly marked with the words "bicycle endorsement". This would indicate that a drivers license with endorsement is required for anyone age 16 or older to operate a bicycle.

Violations of the bicycle endorsement would be added to an individual's driver license records as maintained by the Department of Justice.

Persons registering their bicycles under the provisions of HB 530 would also be required to meet the mandatory motor vehicle liability requirements of 61-6-301, MCA.