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House BILL NO. 610

INTRODUCED BY

Brendy Tuberville *Franklin*
Felton Keener *Mark Anderson* *Mark Anderson*

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A LEGISLATIVE COMMITTEE TO STUDY THE REVENUE AND EXPENDITURES OF THE HIGHWAYS STATE SPECIAL REVENUE ACCOUNT AND MONTANA'S TRANSPORTATION INFRASTRUCTURE NEEDS; PROVIDING FOR APPOINTMENTS TO THE COMMITTEE; APPROPRIATING FUNDS FOR THE OPERATION OF THE COMMITTEE; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

WHEREAS, there is a declining working cash balance in the highways state special revenue account, which may lead to a reduction in state-funded construction projects; and

WHEREAS, highways state special revenue account money is being used to support an increasing number of programs and projects, and it is therefore appropriate to determine the proper use of dedicated revenue; and

WHEREAS, the Department of Transportation may be facing a decline in federal matching funds for construction and maintenance programs; and

WHEREAS, increased travel on Montana's roads, highways, and bridges has intensified the need to strengthen Montana's highway infrastructure for the safety of the traveling public and the well-being of the state's economy.

THEREFORE, the Legislature finds it appropriate that an interim study committee be established and assigned to complete a comprehensive review of the highways state special revenue account and the state's transportation infrastructure needs.

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

NEW SECTION. Section 1. Transportation funding and expenditure study committee -- composition -- appointments. (1) There is a transportation funding and expenditure study committee. (2) The committee is composed of the following members: (a) four members of the house of representatives, two from each party, appointed by the speaker of the house; and



1 (b) four members of the senate, two from each party, appointed by the committee on committees.

2 (3) The department of transportation may provide support staff and technical advisers to assist the
3 committee.

4 (4) The members of the committee shall elect a presiding officer from among the members.

5 (5) A vacancy occurring on the committee must be filled in the same manner as the original
6 appointment.

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8 **NEW SECTION. Section 2. Meetings.** (1) The presiding officer shall schedule meetings of the
9 transportation funding and expenditure study committee as necessary and shall give advance notice to the
10 committee members of the time and place of each meeting.

11 (2) The committee may adopt rules of procedure for the conduct of its meetings.

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13 **NEW SECTION. Section 3. Reimbursement of expenses.** Each member of the transportation
14 funding and expenditure study committee appointed under [section 1] is entitled to the compensation and
15 expenses provided for in 5-2-302.

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17 **NEW SECTION. Section 4. Powers and duties -- staff support -- recommendations -- report.** (1)
18 The transportation funding and expenditure study committee shall make a thorough study of:

19 (a) funding sources of the highways state special revenue account, including gasoline tax, diesel
20 tax, permit fees, new car sales tax, and gross vehicle weight taxes and fees;

21 (b) expenditures from the highways state special revenue account, including legislative
22 appropriations, statutory appropriations, statutory distributions, and refunds;

23 (c) infrastructure usage and needs for the state's primary and secondary roads and the national
24 highway and urban systems, including projected long-term needs;

25 (d) the most cost-effective use of highways state special revenue account dollars;

26 (e) the priority placed on and between broad program investment categories, including:

27 (i) the investment of highways state special revenue account funds on maintenance of streets and
28 highways;

29 (ii) matching federal-aid and highway program funds;

30 (iii) state-funded construction programs;

- 1 (iv) administrative and overhead costs of the department of transportation;
- 2 (v) the state highway patrol;
- 3 (vi) the state park, snowmobile, and off-highway vehicle accounts;
- 4 (vii) allocations to cities, counties, and towns;
- 5 (viii) the alcohol incentive program;
- 6 (ix) off-road tax refunds for agricultural use;
- 7 (x) tribal member refund allocations;
- 8 (xi) the motor vehicle division of the department of justice; and
- 9 (xii) any other current statutory distribution of the highways state special revenue account money.

10 (2) The legislative fiscal division shall supply staff support to the committee.

11 (3) The committee is authorized to secure information of any type from any agency, board, or
12 commission or from any independent organization. A state agency, board, or commission shall supply
13 information upon the request of the committee.

14 (4) On or before August 1, 1998, the committee shall submit to the legislative fiscal committee
15 and the 56th legislature a report of its findings and conclusions. The report must contain recommendations
16 for legislation and drafts of proposed legislation to ensure that:

17 (a) highways state special revenue account funds are used in the most cost-effective manner to
18 meet transportation infrastructure needs; and

19 (b) transportation infrastructure needs are addressed with the available highways state special
20 revenue account funds identified by the committee pursuant to subsection (1)(a) in light of the findings
21 made in subsection (1)(e).

22
23 **NEW SECTION. Section 5. Funding for study -- appropriation.** There is appropriated to the
24 legislative fiscal division an amount not to exceed \$15,000. The money is appropriated from the
25 nondedicated portion of the highways state special revenue fund for the purpose of conducting the study
26 identified in [section 4]. The funds may be used only for fulfilling the duties of the transportation funding
27 and expenditure study committee, including:

- 28 (1) reimbursing or compensating the committee members as provided in [section 3];
- 29 (2) contracting for services to assist in the study to be conducted by the committee; and
- 30 (3) paying other expenses incurred by the committee or by the legislative fiscal division in

1 completing the study.

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3 NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 1997.

4

5 NEW SECTION. **Section 7. Termination.** [This act] terminates June 30, 1999.

6

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0610, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill establishing a legislative committee to study the revenue and expenditures of the highways state special revenue account and Montana's transportation infrastructure needs; providing for appointments to the committee; appropriating funds for the operation of the committee; and providing an effective date and a termination date.

ASSUMPTIONS:

1. The Department of Transportation will use existing resources to provide support staff and technical advisors to assist the committee.
2. The appropriation is given to the Legislative Fiscal Division in the amount of \$15,000.
3. There is no fiscal impact to Departments of Public Health and Human Services, Justice, Commerce, Agriculture, Fish, Wildlife, and Parks, or the Governor's Office.


FISCAL IMPACT:

There is a decrease of \$15,000 in fiscal year 1998 in the highways state special revenue account for the appropriation to the Legislative Fiscal Division.

TECHNICAL NOTES:

Since it appears that the study will overlap two fiscal years, the appropriation should be designated as biennial.

Section 4 (4) page 3, line 14 of the introduced bill, reference is made to the "legislative fiscal committee" but should read "legislative finance committee".

 3-18-97
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 3-18-97
ED GRADY, PRIMARY SPONSOR DATE

Fiscal Note for HB0610, as introduced

HB 610

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20 (b) transportation infrastructure needs are addressed with the available highways state special
 21 revenue account funds identified by the committee pursuant to subsection (1)(a) in light of the findings
 22 made in subsection (1)(e).

23

24 NEW SECTION. **Section 5. Funding for study -- appropriation.** There is appropriated to the
 25 legislative fiscal division an amount not to exceed ~~\$15,000~~ \$25,000. The money is appropriated from the
 26 nondedicated portion of the highways state special revenue fund for the purpose of conducting the study
 27 identified in [section 4]. The funds may be used only for fulfilling the duties of the transportation funding
 28 and expenditure study committee, including:

29 (1) reimbursing or compensating the committee members as provided in [section 3];

30 (2) contracting for services to assist in the study to be conducted by the committee; and

1 (3) paying other expenses incurred by the committee or by the legislative fiscal division in
2 completing the study.

3

4 NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 1997.

5

6 NEW SECTION. **Section 7. Termination.** [This act] terminates June 30, 1999.

7

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