1	INTRODUCED BY Richor
2	INTRODUCED BY KUSKON
3	7
4	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE PENALTIES FOR NONCOMPLIANCE WITH
5	MOTOR VEHICLE INSURANCE REQUIREMENTS; AND AMENDING SECTION 61-6-304, MCA."
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7	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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9	Section 1. Section 61-6-304, MCA, is amended to read:
10	"61-6-304. Penalties. (1) Conviction of <del>a first</del> an offense under 61-6-301 or 61-6-302 is
11	punishable by <u>:</u>
12	(a) a fine of not less than \$250 or more than \$500; <del>or</del>
13	(b) by imprisonment in the county jail for not more than 10 days, or
14	(c) both a fine and imprisonment. A second conviction is punishable by a fine of \$350 or by
15	imprisonment in the county jail for not more than 10 days, or both. A third or subsequent conviction is
16	punishable by a fine of \$500 or by imprisonment in the county jail for not more than 6 months, or both.
17	(2) (a) Upon a second or subsequent conviction under 61-6-301 or 61-6-302, the sentencing court
18	shall order the surrender of the vehicle registration receipt and license plates for the vehicle operated at the
19	time of the offense if that vehicle was operated by the registered owner or a member of the registered
20	owner's immediate family or by a person whose operation of that vehicle was authorized by the registered
21	owner. The court shall send the receipt and plates, along with a copy of the complaint and dispositional
22	order, to the department, which shall immediately suspend the receipt and plates for a period of 90 days
23	from the date of <del>a second</del> conviction <del>or 180 days from the date of a third or subsequent conviction</del> . <del>The</del>
24	Except as provided in subsection (2)(b), the receipt and plates may not be reinstated until the expiration
25	of that period, but if the vehicle is transferred to a new owner, the new owner is entitled to register the
26	vehicle.
27	(b) The receipt and plates may be reinstated during the 90-day period only if the owner of the
28	vehicle furnishes proof:
29	(i) that the vehicle is in compliance with 61-6-301;
30	(ii) that the insurance policy is prepaid for at least 6 months; and



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(3) Upon conviction under 61-6-301 or 61-6-302, the sentencing court shall order impoundment
of the vehicle for 90 days at the owner's expense. The owner may retrieve the vehicle during the 90-day
period only if the owner furnishes proof:
(a) that the vehicle is in compliance with 61-6-301;
(b) that the insurance policy is prepaid for at least 6 months; and

(iii) through a certified statement, that the insurer will not cancel the policy.

7 (c) through a certified statement, that the insurer will not cancel the policy.

8 (2)(4) The court may suspend a required fine only upon a determination that the offender is or will
9 be unable to pay the fine.

-END-

10 (4)(5) A court may not defer imposition of penalties provided by this section."

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## STATE OF MONTANA - FISCAL NOTE

Fiscal Note for <u>SB0147</u>, as introduced

## DESCRIPTION OF PROPOSED LEGISLATION:

An act revising the penalties for noncompliance with motor vehicle insurance requirements.

## ASSUMPTIONS:

- 1. Passage of this bill, which would be effective in October 1997, requires the courts to send all motor vehicle registration receipts and plates surrendered upon conviction under 61-6-310, MCA, or 61-6-302, MCA, to the Department of Justice along with the court order.
- 2. In calendar 1996, the Department of Justice processed 2,012 suspensions for second or subsequent motor vehicle insurance violations. Approximately 14,800 citations are issued annually for all first, second, and subsequent motor vehicle insurance violations; or approximately 12,800 additional actions to be processed by the department. Each action requires approximately 15 minutes or an estimated annual increased work load of approximately 3,200 hours.
- 3. An additional 1.13 FTE in fiscal 1998 (75% of the year since effective October 1) and 1.50 FTE in fiscal 1999 (grade 8) would be required to process the projected increased work load due to the changes in law within this bill at a cost of \$23,056 in fiscal 1998 and \$30,740 in fiscal 1999.
- 4. Operating expenses are projected to be \$30,920 in fiscal 1998 and \$40,430 in fiscal 1999 for postage and printing. Fiscal 1998 expenses are estimated at \$3,545 for mailing the suspension notices, \$24,975 for postage to return the plates and registration at the end of the suspension, and \$2,400 for printing of forms. Fiscal 1999 expenses are estimated at \$4,730 for mailing the suspension notices, \$33,300 for postage to return the plates and registration at the plates and registration at the plates.
- 5. One time costs of \$10,300 are projected in fiscal 1998 for the purchase of two desks, two chairs, two computers, and five locking filing cabinets to store the plates and registration documents while held by the Department of Justice.

## FISCAL IMPACT:

	FY98	FY99
	Difference	Difference
Expenditures:		
FTE	1.13	1.50
Personal Services	23,056	30,740
Operating Expenses	30,920	40,430
Equipment	<u>10,300</u>	0
Total	64,276	71,170
Funding:		
General Fund	64,276	71,170
Net Impact on Fund Balance:	(Revenue minus Expense)	
General Fund (01)	(64,276)	(71,170)

<u>EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:</u> Local courts may incur additional postage and personal services costs to process the suspended plates and registrations to the Department of Justice.

**EUDGET DÍRECTOR** ĪD LEWIS,

Office of Budget and Program Planning

AL BISHOP, PRIMARY SPONSOR

Fiscal Note for <u>SB0147</u>, as introduced

SB 147