

Senate BILL NO. *391*

INTRODUCED BY

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN INDIVIDUAL INCOME TAX CREDIT FOR QUALIFYING POSTSECONDARY EDUCATION EXPENSES PAID BY AN INDIVIDUAL FOR A DEPENDENT WHO IS A FULL-TIME STUDENT IN THE MONTANA UNIVERSITY SYSTEM OR AT A MONTANA PRIVATE COLLEGE; ALLOWING A GRADUATED AMOUNT OF TAX CREDIT BASED ON THE NUMBER OF DEPENDENTS; AND PROVIDING AN APPLICABILITY DATE."

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

NEW SECTION. Section 1. Postsecondary education tax credit. (1) There is a credit against the

taxes otherwise due under this chapter for qualifying postsecondary education expenses paid by an individual for a dependent who is a full-time student in the Montana university system or at a Montana private college.

(2) Postsecondary education expenses that qualify for the credit under this section are amounts paid as tuition and fees by an individual for a dependent.

(3) The amount of the credit for qualifying postsecondary education expenses is as follows:

- (a) up to \$500 for the first dependent;
- (b) 60% of \$500 for the second dependent; and
- (c) 40% of \$500 for the third and any subsequent dependents.

(4) The credit allowed under this section may not exceed the taxpayer's income tax liability.

(5) There is no carryback or carryforward of the credit permitted under this section, and the credit must be applied in the year in which the qualifying expenses are paid, as determined by the taxpayer's accounting method.

(6) For the purposes of this section, "dependent" means a person who is less than 24 years of age at the close of the calendar year, who is a full-time student in the Montana university system or at a Montana private college, and who may be claimed as a dependent by the taxpayer.

(7) For the purposes of this section, "Montana private college" has the same meaning as provided in 15-30-163(3)(b).

1 **NEW SECTION.** **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
2 integral part of Title 15, chapter 30, part 1, and the provisions of Title 15, chapter 30, part 1, apply to
3 [section 1].

4

5 **NEW SECTION.** **Section 3. Applicability.** [This act] applies to tax years beginning after December
6 31, 1997.

7

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0391, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:


An act providing an individual income tax credit for qualifying postsecondary education expenses paid by an individual for a dependent who is a full-time student in the Montana university system or at a Montana private college; allowing a graduated amount of tax credit based on the number of dependents; and providing an applicability date.


ASSUMPTIONS:

1. This act would be effective for tax years beginning after December 31, 1997. The first fiscal year showing an impact would be fiscal year 1999.
2. Qualifying expenses are defined as tuition and fees paid by an individual for a dependent. This implies that if tuition and fees are fully covered by sources of revenue other than parental contributions, then the parents cannot claim the tax credit.
3. There will be approximately 28,647 full-time, resident students in the Montana university system and Montana private colleges in tax year 1998. Approximately 60% of these students (17,204 students) are under 24 years of age (Office of the Commissioner of Higher Education).
4. According to the directors of the financial aid offices of Montana State University-Bozeman and Rocky Mountain College, roughly 60% of the students in assumption 2 would be claimed as dependents and approximately 50% of the students would have their tuition and fees fully paid by federal financial aid, scholarships, grants, etc. These percentages indicate the tax credit could be claimed for 5,161 ($17,402 \times 60\% \times 50\%$) dependents.
5. The credit provided by this bill is \$500 for the first dependent, and \$300 for the second dependent.
6. Given the definition of dependent in this bill, it is estimated that 5% of students are second dependents and a negligible percentage are third dependents.
7. Approximately 5% of the available credit will be attributable to households that have zero tax liability before credits.
8. Given the above assumptions, the total revenue impact for fiscal year 1999 is estimated to be \$2,402,455.
9. The administrative costs associated with this proposal include adding a line to the individual income tax return, ongoing keypunching costs, storage costs and programming costs. The total cost would be \$14,672.

FISCAL IMPACT:

	<u>FY 98</u>	<u>FY 99</u>
<u>Expenditures:</u>		
Income Tax		
Programming		\$7,100
One-time computer costs		\$7,318
Storage		<u>\$ 254</u>
Total	\$0	\$14,672
<u>Revenues:</u>		
Income tax	\$0	(\$2,402,455)
<u>Net Impact:</u>		
General Fund	\$0	(\$2,417,127)

 3/14/97
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

 3/14/97
 CHRIS CHRISTIAENS, PRIMARY SPONSOR DATE

MOTION TO TAKE FROM TABLE,
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COMMITTEE ON APPROPRIATIONS

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HOUSE BILL NO. 391

INTRODUCED BY ROSE, WISEMAN, PECK, BOHLINGER, WALTERS, HAYNE, GRINDE, DENNY,
MARSHALL

A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE ONE-STOP BUSINESS LICENSING PILOT PROJECT; PROVIDING THAT CERTAIN LICENSEE RENEWAL DATES BE AN ANNIVERSARY DATE ESTABLISHED BY RULE; GRANTING AUTHORITY TO THE BOARD OF REVIEW TO ADOPT RULES GOVERNING THE USE OF ELECTRONIC MEANS OF VERIFYING INFORMATION REQUIRED FOR LICENSURE; ALLOWING CERTAIN LICENSEES TO PAY FEES BY CREDIT CARD AND ALLOWING RELEVANT LICENSING AGENCIES TO DISCOUNT FEES ACCORDINGLY; DESIGNATING THE DEPARTMENT OF REVENUE AS THE AGENCY RESPONSIBLE FOR ADMINISTERING THE LICENSING PILOT PROJECT; AND AMENDING SECTIONS 16-11-120, 16-11-122, 30-12-203, 30-13-203, 30-13-206, 30-13-210, 30-13-217, 50-50-201, 50-50-203, 50-50-205, 50-50-207, 50-50-214, 80-7-106, 81-9-201, 81-20-201, AND 82-15-105, MCA."

STATEMENT OF INTENT

A statement of intent is required for this bill because [section 1] grants rulemaking authority to the board of review established in 30-16-302 for the purpose of implementing a one-stop business licensing pilot project required by the 54th Legislature.

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

NEW SECTION. Section 1. **Rulemaking.** The board of review established in 30-16-302:

(1) shall adopt rules governing the identification and use of electronic forms of signature to fulfill licensing requirements for licensees included in this part;

(2) may adopt rules to establish the anniversary date for the renewal of licenses issued to licensees included in this part; and

(3) shall consult with the pertinent licensing agency before issuing rules concerning license renewal dates.

1 **Section 2.** Section 16-11-120, MCA, is amended to read:

2 **"16-11-120. Cigarette licenses.** Every wholesaler, subjobber, retailer, or cigarette vendor shall
3 obtain a license from the department before engaging in the business of wholesaler, subjobber, retailer, or
4 cigarette vendor. A separate application and a separate license ~~shall be~~ is required for each place of
5 business owned, controlled, or operated by ~~such~~ the wholesaler, subjobber, retailer, or cigarette vendor
6 within the state of Montana. Application forms ~~shall require~~ must include the type and general description
7 of applicant organizations, names of all known owners, and ~~such~~ other pertinent information as the
8 department may require in regularly promulgated ~~regulations~~ rules. The department shall comply with rules
9 issued by the board of review established in 30-16-302 with respect to the form of electronic verification
10 of information required or acceptable for licensing purposes."

11
12 **Section 3.** Section 16-11-122, MCA, is amended to read:

13 **"16-11-122. License fees -- renewal.** (1) Each application for a wholesaler's license ~~shall~~ must be
14 accompanied by a fee of \$50.

15 (2) Each application for a subjobber's license ~~shall~~ must be accompanied by a fee of \$50.

16 (3) Each application for a retailer's license ~~shall~~ must be accompanied by a fee of \$5.

17 (4) The fees for the licenses in subsections (2) and (3) may be paid by credit card and may be
18 discounted for payment processing charges paid by the department to a third party.

19 (5) These licenses shall must be renewed annually on or before the anniversary date established
20 by rule by the board of review established in 30-16-302 and upon payment of the annual fee in the amount
21 set forth above and shall be are effective for 1 year, without proration, and are not transferable."

22
23 **Section 4.** Section 30-12-203, MCA, is amended to read:

24 **"30-12-203. Licensing of weighing devices.** (1) A person may not knowingly operate or use an
25 unlicensed weighing device in trade or commerce for ascertaining the weight of any commodity.

26 (2) A license must be obtained by making application to the department upon blank forms to be
27 provided by the division of weights and measures. Each license must require at least one inspection per
28 year.

29 (3) An application must be accompanied by the proper fee as established by this section except
30 that fees may be paid by credit card and may be discounted for payment processing charges paid by the

1 department to a third party.

2 WEIGHING DEVICES

3 Capacity	Fees
4 499 pounds or less	\$ 12.00
5 500 pounds through 1,999 pounds	20.00
6 2,000 pounds through 7,999 pounds	40.00
7 8,000 pounds through 60,000 pounds	100.00
8 60,001 pounds or more	175.00

9 (4) The capacity of a weighing device must be determined by the manufacturer's rated capacity.

10 (5) All licenses must be annual and expire on ~~December 31~~ the anniversary date established by rule
11 by the board of review established in 30-16-302.

12 (6) A late renewal fee equal to 50% of the renewal license fee established in subsection (3) must
13 be assessed if the fee is not paid before ~~July 1~~ the first day of the sixth month of the year in which the
14 license fee is due. A person failing to pay the renewal license fee before ~~July 1~~ the first day of the sixth
15 month of the year in which the license fee is due forfeits the right to use the weighing device, and it must
16 be taken out of service by the division of weights and measures until the renewal fee and late renewal fee
17 are paid.

18 (7) The fees must be deposited to the state special revenue fund of the department for use in the
19 administration and enforcement of this part."
20

21 **Section 5.** Section 30-13-203, MCA, is amended to read:

22 "**30-13-203. Application for registration of assumed business name.** ~~All persons~~ A person
23 transacting business in this state under an assumed business name shall ~~execute and file with the register~~
24 with the secretary of state, on forms furnished by the secretary of state or by electronic means established
25 by the board of review established in 30-16-302, an application for registration of the assumed business
26 name, including but not limited to the following information:

- 27 (1) the name and address, including the street name and number, of applicant;
- 28 (2) the complete name of the proposed assumed business name;
- 29 (3) date of first use, in commerce, of the proposed assumed business name;
- 30 (4) description of business transacted under the proposed assumed ~~such~~ name; and

1 (5) the name of county or counties in which business is being transacted."

2

3 **Section 6.** Section 30-13-206, MCA, is amended to read:

4 "30-13-206. **Term and renewal of assumed business name registration.** (1) Registration of an
5 assumed business name is effective for a term of 5 years from the date of registration. Upon application
6 for renewal of registration on forms furnished by the secretary of state or by electronic means established
7 by rule by the board of review established in 30-16-302, the registration may be renewed for another
8 5-year term.

9 (2) Not less than 90 days before the expiration date of registration of an assumed business name,
10 the secretary of state shall notify the applicant of record of the pending expiration by addressing a notice
11 to the last-known address of the applicant.

12 (3) (a) Subject to subsection (3)(b), if the applicant or person in whose name an assumed business
13 name is registered fails to file an application for renewal with the secretary of state within a 90-day period
14 prior to the expiration date of the registration, the secretary of state shall cancel the registration.

15 (b) If a limited liability partnership fails to file an application for renewal with the secretary of state
16 within a 90-day period prior to the expiration date of the registration, the secretary of state shall again
17 notify the limited liability partnership of the pending expiration and give the limited liability partnership an
18 additional 90 days within which to renew its registration. If the limited liability partnership fails to renew
19 its registration within the second 90-day period, the secretary of state shall cancel the registration and the
20 partnership is no longer a limited liability partnership."

21

22 **Section 7.** Section 30-13-210, MCA, is amended to read:

23 "30-13-210. **Filing amendment to registration of assumed business name -- issuance of certificate**
24 ~~thereon.~~ (1) One original and one copy of an amendment to the registration of an assumed business name,
25 ~~executed and verified on forms furnished by the secretary of state, shall~~ must be delivered to the secretary
26 of state. The application for amended registration of an assumed business name ~~shall~~ must include but ~~not~~
27 ~~be~~ is not limited to the following information:

- 28 (a) complete assumed business name prior to adoption of amendment;
29 (b) complete new assumed business name, if applicable;
30 (c) name and address of the registrant, including street name and number of the business office;

1 (d) if the name of any person having an interest in the business with a registered assumed business
 2 name is to be changed, the new name of the person having an interest in the business with ~~such~~ the
 3 registered assumed business name;

4 (e) the name of the county or counties in which the name is being used;

5 (f) if there is a change in the identity of the county or counties or addition of a county or counties
 6 in which the assumed business name is being used or is to be used, the name~~s~~ of the new county or
 7 counties;

8 (g) if a person or persons having an interest in a business with a registered assumed name
 9 withdraws or dies, a statement of ~~such~~ that fact; and

10 (h) a statement that the amended registration of assumed business name supersedes the original
 11 registration and all amendments ~~thereto~~ to the original registration.

12 (2) If the secretary of state finds that the application for amended registration of the assumed
 13 business name complies with this part, ~~he~~ the secretary of state shall, when all fees have been paid as
 14 provided in this part:

15 (a) endorse on the original and the copy the word "filed" and the month, day, and year of the filing
 16 ~~thereof~~;

17 (b) file the original in ~~his~~ the secretary of state's office; and

18 (c) issue a certificate of amendment, to which ~~he~~ the secretary of state shall affix the copy.

19 (3) The certificate of amendment, together with the copy of the amendment ~~affixed thereto by the~~
 20 ~~secretary of state~~ required in subsection (1), shall must be returned to the registrant.

21 (4) The failure of the registrant of an assumed business name to comply with the requirements of
 22 this section ~~shall result~~ results in the cancellation by the secretary of state of the registration."
 23

24 **Section 8.** Section 30-13-217, MCA, is amended to read:

25 **"30-13-217. Fees and charges to be established and collected by secretary of state.** (1) The
 26 secretary of state shall by administrative rule establish, charge, and collect in accordance with the
 27 provisions of this part and commensurate with costs:

28 (a) fees for filing documents and issuing certificates; and

29 (b) miscellaneous charges.

30 (2) The secretary of state shall maintain records sufficient to support the fees and miscellaneous

1 charges established under this section.

2 (3) In addition to the fees and charges in subsection (1), the secretary of state shall charge and
3 collect from each limited liability partnership a license fee of:

4 (a) \$50 at the time of registration under 30-13-203; and

5 (b) \$50 at the time of each renewal of registration under 30-13-206 through 30-13-208.

6 (4) Fees and charges established under this section may be paid by credit card and may be
7 discounted for payment processing charges paid by the secretary of state to a third party."

8

9 **Section 9.** Section 30-16-103, MCA, is amended to read:

10 **"30-16-103. Definitions.** As used in this chapter, the following definitions apply:

11 (1) "Board of review" means the body established to provide policy direction to the department of
12 revenue in designing and recommending to the legislature the implementation of a plan for a business
13 registration and licensing system.

14 (2) "Department" means the department of commerce established in 2-15-1801.

15 (3) (a) "License" means the whole or part of any agency permit, license, certificate, approval,
16 registration, or charter or any form or permission required by law or administrative rule to engage in any
17 retail, wholesale, consumer service, manufacturing, or distributing activity.

18 (b) License does not include licenses, permits, or registrations issued under Title 30, chapter 10,
19 parts 1 through 3, Title 33, Title 37, and Title 75, which are excluded from the coverage of this chapter.

20 (4) "Person" means an individual, sole proprietorship, partnership, association, cooperative, limited
21 liability company, corporation, nonprofit organization, state or local government agency, or any other
22 organization required to register with the state to do business in Montana and to obtain one or more
23 licenses from the state or any of its agencies.

24 (5) "Plan" means the business registration and licensing system ~~document,~~ and the procedures
25 developed by the board of review which is that are under the administrative control of the department of
26 revenue."

27

28 **Section 10.** Section 30-16-301, MCA, is amended to read:

29 **"30-16-301. Business registration and licensing plan -- duties administration.** ~~(1) Before January~~
30 ~~1, 1997, the department shall develop a plan;~~

1 ~~(a) to establish an information service detailing all state licenses that are required in order to engage~~
 2 ~~in business in Montana and the locations for applying for those licenses; and~~

3 ~~(b) for a uniform method by which all state agencies may identify businesses.~~

4 ~~(2) The method developed under subsection (1)(b) must include a phased approach to:~~

5 ~~(a) complete a requirements analysis and specification document, including an overview systems~~
 6 ~~design;~~

7 ~~(b) complete a detailed requirements analysis, including a general systems design;~~

8 ~~(c) establish interagency procedures for effectuating the plan;~~

9 ~~(d) select those licenses that will be included in the initial implementation of the plan and the date~~
 10 ~~and manner in which the licenses will be integrated into the plan; and~~

11 ~~(e) complete a cost benefit analysis of the final implementation of the plan.~~

12 ~~(3) The department shall on January 2, 1997, recommend to the legislature any statutory or~~
 13 ~~budgetary changes for implementing the plan.~~

14 ~~(4) Each state agency shall review its licenses and recommend to the legislature on January 2,~~
 15 ~~1997, those licenses that should be eliminated or consolidated and justify those that should be retained.~~

16 ~~(5) (1) The provisions of [section 1], 16-11-120, 16-11-122, 30-12-203, 30-13-203, 30-13-206,~~
 17 ~~30-13-210, 30-13-217, 50-50-201, 50-50-203, 50-50-205, 50-50-207, 50-50-214, 80-7-106, 81-9-201,~~
 18 ~~81-20-201, and 82-15-105 constitute a means of implementing a preliminary plan for streamlined~~
 19 ~~registration and licensing procedures. [Section 1], 16-11-120, 16-11-122, 30-12-203, 30-13-203,~~
 20 ~~30-13-206, 30-13-210, 30-13-217, 50-50-201, 50-50-203, 50-50-205, 50-50-207, 50-50-214, 80-7-106,~~
 21 ~~81-9-201, 81-20-201, and 82-15-105 provide that certain licenses selected by the board of review must~~
 22 ~~allow for:~~

23 ~~(a) an anniversary date for license renewal that is set by the board of review;~~

24 ~~(b) an electronic means of verifying the information required in the license application; and~~

25 ~~(c) credit card discounts in relation to fees required for licensure.~~

26 ~~(2) The department of revenue shall designate a deputy director in charge of administering the plan~~
 27 ~~whose duties include those of executive secretary of the board of review."~~

28
 29 **Section 11.** Section 30-16-302, MCA, is amended to read:

30 **"30-16-302. Board of review.** (1) There is a board of review. The board of review's duty is to

1 provide policy direction to the department of revenue in the establishment and operation of the system.
2 The board of review includes the directors of the departments of agriculture, commerce, environmental
3 quality, revenue, justice, and public health and human services, the secretary of state, the director of the
4 office of budget and program planning, the commissioner of labor and industry, the president of the senate
5 or a designee, and the speaker of the house or a designee.

6 (2) The governor shall appoint a presiding officer from among the members of the board of review.

7 (3) The board of review shall meet at the call of the presiding officer at least once each calendar
8 quarter to:

9 (a) establish interagency policy and guidelines for the plan;

10 (b) review the findings, status, and problems of system operations and recommend courses of
11 action;

12 (c) receive reports from industry and agency task forces that the board of review may request to
13 inquire into particular issues; and

14 (d) recommend, in questionable cases, whether a particular license falls within the scope of this
15 chapter.

16 (4) In developing a recommended plan for streamlined registration and licensing procedures, the
17 board of review shall consider the experience gained from the consolidated employer registration process
18 implemented by the department of revenue and the department of labor and industry."
19

20 **Section 12.** Section 50-50-201, MCA, is amended to read:

21 "**50-50-201. License required.** (1) Except as provided in 50-50-202, a person operating an
22 establishment shall procure an annual license from the department.

23 (2) A separate license is required for each establishment, but if more than one type of
24 establishment is operated on the same premises and under the same management, only one license is
25 required.

26 (3) Only one license is required for a person owning and operating one or more vending machines.

27 (4) ~~Before a license may be issued by the department it must be validated by the local health~~
28 ~~officer, or if there is no local health officer the sanitarian, in the county where the establishment is located~~
29 A license issued by the department is not valid unless signed in accordance with 50-50-214.
30

1 **Section 13.** Section 50-50-203, MCA, is amended to read:

2 **"50-50-203. Application for license.** An application for a license is made to the department on
3 forms and contains information required by the department or is an application for a license that is in
4 compliance with rules established by the board of review established in 30-16-302."

5

6 **Section 14.** Section 50-50-205, MCA, is amended to read:

7 **"50-50-205. License fee -- late fee -- preemption of local authority -- exception.** (1) For each
8 license issued, the department shall collect a fee of \$60. It shall deposit 85% of the fees collected under
9 this section into the local board inspection fund account created in 50-2-108, 7.5% of the fees into the
10 general fund, and 7.5% of the fees into the account provided for in 50-50-216.

11 (2) In addition to the license fee required under subsection (1), the department shall collect a late
12 fee from any licensee who has failed to submit a license renewal fee prior to the expiration of ~~his~~ the
13 licensee's current license and who operates an establishment governed by this part in the next licensing
14 year. The late fee is \$25 and must be deposited in the account provided for in 50-50-216.

15 (3) A county or other local government may not impose an inspection fee or charge in addition to
16 the fee provided for in subsection (1) unless a violation of this chapter or rule persists and is not corrected
17 after two visits to the establishment.

18 (4) The fees in subsections (1) and (2) may be paid by credit card and may be discounted for
19 payment processing charges paid by the department to a third party. However, the discounting of license
20 fees may not reduce the fees paid into the local board inspection fund account established in 50-2-108."

21

22 **Section 15.** Section 50-50-207, MCA, is amended to read:

23 **"50-50-207. Expiration date of license.** (1) Except as provided in subsection (2), Licenses licenses
24 expire on December 31 following the date of issue unless canceled for cause.

25 (2) License renewals provided for in 16-11-122, 30-12-203, 50-50-207, 80-7-106, and 82-15-105
26 expire on the anniversary date established by rule by the board of review established in 30-16-302."

27

28 **Section 16.** Section 50-50-214, MCA, is amended to read:

29 **"50-50-214. Notification of and validation by local health officer.** (1) A license issued by the
30 department under this chapter is not valid until signed by the local health officer in the county where the

1 establishment is located ~~or until the license is otherwise verified~~ VALIDATED BY THE LOCAL HEALTH
 2 OFFICER AND IS in accordance with rules established by the board of review established in 30-16-302.

3 (2) The local health officer shall, within 15 days after the department has notified the local health
 4 officer of its decision to issue a license under this chapter, make a final decision on whether the license will
 5 be validated.

6 (3) Failure of the local health officer to validate the license within 15 days after its receipt is a
 7 refusal."

8

9 **Section 17.** Section 80-7-106, MCA, is amended to read:

10 **"80-7-106. License required -- application and payment of license fee.** (1) A firm engaging in the
 11 business of selling or distributing nursery stock in this state shall obtain a license for each nursery from the
 12 department.

13 (2) The license must be in the name of the firm ~~seeking the license and expires on December 31~~
 14 the anniversary date established by rule by the board of review established in 30-16-302 following the date
 15 of issue. The applicant shall provide information that the department finds necessary to carry out the
 16 provisions and purposes of this chapter and in the form determined by rule by the board of review
 17 established in 30-16-302.

18 (3) (a) A nursery that earns less than \$1,000 in gross annual sales of nursery stock and that
 19 submits a notarized affidavit to that effect to the department is exempt from licensing.

20 (b) A nursery that earns \$1,000 but less than \$3,000 in gross annual sales of nursery stock and
 21 that submits a notarized affidavit to that effect to the department shall pay a license fee of \$30.

22 (c) A nursery that earns \$3,000 or more in gross annual sales of nursery stock shall pay a license
 23 fee of \$95.

24 (4) A new applicant or a firm failing to renew a license ~~by January 1 of each year~~ on or before the
 25 annual anniversary date provided for in subsection (2) shall pay an additional nonrefundable application fee
 26 of \$25 for each license.

27 (5) An out-of-state firm that imports nursery stock into Montana for resale by a licensed Montana
 28 nursery is not required to obtain a license if the firm is licensed in the state of origin of the nursery stock
 29 and if that state extends a similar exemption to Montana firms.

30 (6) If the department determines that the revenue from the license fee is inadequate to accomplish

1 the purposes of this chapter, the department may by rule increase the fee,

2 (7) The fees required by the provisions of this section may be paid by credit card and may be
 3 discounted for payment processing charges paid by the department to a third party."

4
 5 **Section 18.** Section 81-9-201, MCA, is amended to read:

6 **"81-9-201. Meat establishment license -- fees and renewals.** (1) It is unlawful for a person, firm,
 7 or corporation to engage in the business of slaughtering livestock or poultry or processing, storing, or
 8 wholesaling the meat products of either without having a license issued by the department. The department
 9 shall establish an annual fee for a license issued under this section, to be paid into the state special revenue
 10 fund for the use of the department.

11 (2) All licenses expire each year on December 31 of the year the anniversary date established by
 12 rule by the board of review established in 30-16-302 in which they are issued and shall must be renewed
 13 by the department on request of the licensee. However, when the department finds that the establishment
 14 for which the license is issued is not conducted in accordance with the rules and orders of the board made
 15 under 81-2-102, the department shall revoke the license and may not renew it until the establishment is
 16 in a sanitary condition in accordance with department rules.

17 (3) A person, firm, or corporation violating this section or any rule or order promulgated by
 18 authority of 81-2-102 is guilty of a misdemeanor and upon conviction shall be fined not ~~to exceed~~ more
 19 than \$500."

20
 21 **Section 19.** Section 81-20-201, MCA, is amended to read:

22 **"81-20-201. Egg dealer's and egg grader's licenses -- fee.** (1) ~~No~~ A person may not buy, sell, or
 23 deal in eggs without first obtaining a license from the department of livestock for each establishment at
 24 which business is conducted. A licensee shall send to the department the reports ~~which~~ that are requested
 25 by the department. The department shall establish a license fee for dealers buying eggs for sale at retail and
 26 for dealers buying eggs for resale at wholesale. All licenses ~~shall~~ must be posted in a conspicuous place
 27 in each place of business. Licenses expire ~~March 31~~ each year on the anniversary date established by rule
 28 by the board of review established in 30-16-302 each year after the date of issuance.

29 (2) A person buying, selling, or dealing in eggs, a major portion of which are produced by ~~his~~ the
 30 person's own fowl, or in amounts less than an average of 25 cases per month, is exempt from the

1 requirements of this section.

2 (3) Wholesale and retail dealers who handle more than 25 cases of eggs per month supplying eggs
3 to consumers must, when selling candled eggs, sell only eggs candled by or under the supervision of
4 experienced and licensed graders. The department shall establish a fee for a grader's license. All candlers
5 and graders must pass an examination required by the department. The license expires ~~March 31~~ each year
6 on the anniversary date established by rule by the board of review established in 30-16-302 each year after
7 the date of issuance."

8

9 **Section 20.** Section 82-15-105, MCA, is amended to read:

10 **"82-15-105. Licenses and fees -- status of license on transfer of ownership.** (1) A petroleum
11 dealer or liquefied petroleum dealer may not do business in this state until licensed by the department. The
12 license must be obtained by the dealer by making application to the department upon blank forms provided
13 by the department. A dealer who has not been issued a license and who is found selling, offering for sale,
14 delivering, or distributing petroleum products shall upon conviction be punished as provided by this part.

15 (2) The department shall adopt rules establishing license fees based upon the measuring devices
16 used by the dealer. The fees may be paid by credit card and may be discounted for payment processing
17 charges paid by the department to a third party. The fees must be deposited in the state special revenue
18 fund of the department for use in administrating and enforcing this part.

19 (3) All licenses are annual and expire on ~~December 31~~ the anniversary date established by rule by
20 the board of review established in 30-16-302 of each year. There is an additional charge of 50% on all
21 license fees that are not paid before March 1 of each year in which the vehicle tank, meter, or measuring
22 device is in use. If the fee is not paid, the equipment must be sealed and removed from service by the
23 department. It is unlawful for anyone to use a device removed from service or to break the seal until all fees
24 have been paid.

25 (4) If ownership of a measuring device changes and the device:

26 (a) remains at the same location, the license transfers to the new owner and remains in effect until
27 December 31 of that year;

28 (b) is moved to a new location, the license is void, and the new owner shall:

29 (i) apply for a new license that will expire on ~~December 31~~ the anniversary date of that year, as
30 provided in subsection (3); and

1 (ii) pay the applicable fees."

2

3 NEW SECTION. Section 21. Codification instruction. [Section 1] is intended to be codified as an
4 integral part of Title 30, chapter 16, part 1, and the provisions of Title 30, chapter 16, part 1, apply to
5 [section 1].

6

7 NEW SECTION. Section 22. Coordination instruction. If Senate Bill No. 61 and [this act] are both
8 passed and approved, then the language in 50-50-207 must read as follows:

9 "50-50-207. Expiration date of license. (1) Except as provided in subsections (2) and (3), each
10 ~~Licenses expire~~ license expires on December 31 following the date of issue unless canceled for cause.

11 (2) Except as provided in subsections (1) and (3), the department may amend or issue licenses to
12 provide for staggered license expiration dates. The department may provide for initial license terms of
13 greater than 12 months but not more than 23 months in adopting staggered license expiration dates, and
14 the license fee must be prorated accordingly. Upon expiration of a license that has been amended or issued
15 to provide a term of greater than 12 months and subsequent payment of the required license fee, the
16 license must be renewed for a period of 12 months commencing on the day following the expiration date
17 of the amended or issued license.

18 (3) License renewals provided for in 16-11-122, 30-12-203, 50-50-207, 80-7-106, 81-9-201, and
19 82-15-105 expire on the anniversary date established by rule by the board of review established in
20 30-16-302."

21

-END-