

MINUTES

**MONTANA SENATE
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON HIGHWAYS & TRANSPORTATION

Call to Order: By Senator Cecil Weeding, Chairman, on January 17, 1991, at 1:00 p.m.

ROLL CALL

Members Present:

Cecil Weeding, Chairman (D)
Betty Bruski, Vice Chairman (D)
Bill Farrell (R)
Francis Koehnke (D)
Jerry Noble (R)
Jack Rea (D)
Lawrence Stimatz (D)
Larry Tveit (R)

Members Excused: Senator John Harp

Staff Present: Paul Verdon (Legislative Council).

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion:

CHAIRMAN WEEDING turned the chair over to VICE CHAIRMAN BRUSKI.

HEARING ON SENATE BILL 46

Presentation and Opening Statement by Sponsor:

SENATOR CECIL WEEDING, Senate District 14, distributed copies of suggested amendments for Senate Bill 46. He stated that the amendments were clean-up language. As amended, Senate Bill 46 will require pickup camper sold after October 1, 1991, be titled the same as other recreational vehicles. The bill was requested by the Montana Manufactured Housing and Recreational Vehicle Association as a way to provide legitimacy for financial institutions who loan money for the purchase of a camper. The titling of campers will create a mechanism for someone to check if there is a lien on the camper they plan to purchase.

Proponents' Testimony:

JAKE HART, Hart's RV and President elect of the Montana Manufactured Housing and RV Association, testified in support of Senate Bill 46. (SEE EXHIBIT 2)

STUART DOGGETT representing the Montana Manufactured Housing and RV Association expressed their support and distributed two letters also supporting Senate Bill 46. (SEE EXHIBITS 3 & 4)

DARYLL (BUD) SCHOEN, Motor Vehicle Division, said the amendments (EXHIBIT 1) satisfy their concerns and offered to answer questions for the committee.

Opponents' Testimony:

None

Questions From Committee Members:

SENATOR KOEHNKE asked what this registration would cost.

DARYLL (BUD) SCHOEN said it would require two FTEs.

SENATOR NOBLE asked Mr. Hart to respond.

JAKE HART stated they would like to see the registrations cut off at 1979. Camper manufacturers did not do a very good job of putting a serial number or date on their campers until 1979.

SENATOR FARRELL asked Bud Schoen about the process.

BUD SCHOEN said camper registration has been the Department of Revenue's responsibility.

SENATOR FARRELL asked why it can not be all handled by the Motor Vehicle Division.

BUD SCHOEN stated that it very well could be. There are other bills that would transfer that responsibility to the Department of Justice.

SENATOR NOBLE suggested that the fee be adjusted to possibly \$2.00 or \$3.00.

SENATOR FARRELL asked for a response from the Department of Revenue.

JEFF MILLER, Administrator of the Income and Miscellaneous Tax Division, distributed an illustration of the camper decal procedure. (SEE EXHIBIT 5) He pointed out that in Senator Gage's Senate Bill 50 it is suggested that the Department of Revenue does not need to be in this process. What the Department of Revenue does is duplicative of what is already going on in the County Treasurer's office. He stated that the present process is just a loop of paperwork that is a whole lot of trouble for just \$1.00. Mr. Miller stated they would just as soon be out of it completely. The Department of Revenue would be happy to provide a supply of camper decals to the County Treasurers.

SENATOR FARRELL asked if SB 50 passed, would the amendments to SB 46 put the Department back into it.

JEFF MILLER suggested there be some coordinating between the two bills to resolve that problem.

PAUL VERDON, Legislative Council Staff, said the coordination instructions would be no problem.

SENATOR FARRELL asked if the camper decal fee and notice are required.

JEFF MILLER said the Department of Revenue has interpreted the statute to say that the notice is something they should do but does not see that it is an absolute requirement. There are three bills that are relative to this issue, they are Senate Bills: 50, 46 and House Bill 150.

Closing by Sponsor:

SENATOR WEEDING said a grandfather date should be put in. Action should be taken on Senate Bill 46 and Senate Bill 50 at the same time.

HEARING ON SENATE BILL 80

Presentation and Opening Statement by Sponsor:

SENATOR WEEDING, Senate District 14, said Senate Bill 80 is at the request of the Highway Department. The bill would revise the penalties for operating vehicles without a special overweight permit in violation of conditions permit.

Proponents' Testimony:

DAVE GALT, Administrator of the Gross Vehicle Weight Division, Department of Highways, supported Senate Bill 80. This bill would establish penalties for exceeding the weight on a permit that are equal to the penalties assessed on any other overweight vehicle. Under the law now, operators who violate a permitted weight are subject to a \$50 to \$75 standard fine. In many cases the overweight is to such an extreme that the highways suffer extreme damage. Regular overweight loads are subject to different sub-penalties. This bill is asking for equalities in the penalties assessed for overweight vehicles.

BEN HAVDAHL representing the Montana Motor Carriers Association said they support the bill. He stated that they feel that a vehicle travelling under a special permit can be overloaded inadvertently even though the permit allows an excessive weight, it can go beyond that permitted weight. It doesn't seem fair that he would only be subject to a fine of \$75 if he were as much as 20,000 pounds over, where a statutory vehicle in that same situation could be subject to a fine up to \$2,000.

Opponents' Testimony:

None

Questions From Committee Members:

SENATOR NOBLE asked the Highway Department how big of a problem this has presented and how often.

DAVE GALT said that last year they issued about 355 tickets for people violating their overweight permit.

EXECUTIVE ACTION ON SENATE BILL 50**Motion:**

SENATOR FARRELL moved that Senate Bill 50 Do Pass.

SENATOR FARRELL moved the adoption of the amendments with the noted language change.

MOTION PASSED UNANIMOUSLY that SENATE BILL 50 DO PASS AS AMENDED.

SENATOR NOBLE moved to reconsider action on Senate Bill 50.

MOTION PASSED.

SENATOR FARRELL MOVED to TABLE SENATE BILL 50.

MOTION PASSED UNANIMOUSLY to TABLE SENATE BILL 50.

Discussion:

PAUL VERDON, Legislative Council Staff, distributed amendments of Senate Bill 50. (SEE EXHIBIT 6) He informed the committee that Senator Gage requested a change to the amendments. Senator Gage requested they add at the end of Subsection 1, Section 3 following 61-3-317 "or other evidence of purchase of the camper".

SENATOR FARRELL expressed concern about passing SB 50, which takes Department of Revenue out and with SB 46 they would be put back into the process.

PAUL VERDON stated that if you want to pass SB 50 and act on SB 46, a coordination section should be inserted into SB 46.

EXECUTIVE ACTION ON SENATE BILL 46

Motion:

SENATOR FARRELL moved that Senate Bill 46 DO PASS.

SENATOR NOBLE moved to amend the amendments (EXHIBIT 1) SB 46 to say "there be a \$5.00 fee, \$3.00 which the County keeps and \$2.00 to whoever provides the decal".

SENATOR FARRELL moved to TABLE Senate Bill 46.

MOTION PASSED UNANIMOUSLY that Senate Bill 46 be TABLED.

SENATOR FARRELL MOVED to request the drafting of a Committee Bill which will incorporate the above ideas discussed in Senate Bill 46 and Senate Bill 50 into one bill.

MOTION PASSED UNANIMOUSLY.

Discussion:

SENATOR NOBLE said the Committee needed an amendment to insert a cut-off date of 1980.

PAUL VERDON said this would be put into Section 8, the applicability section.

SENATOR FARRELL expressed concern about if one of the bills should die and the Department of Revenue is still involved. He stated that they should not have to be involved in the process.

SENATOR TVEIT suggested that the two bills be coordinated

SENATOR TVEIT suggested that the two bills be coordinated into one bill.

PAUL VERDON suggested to strike Department of Revenue out completely from Senate Bill 46.

The Committee discussed the \$1.00 fee. PAUL VERDON informed the Committee that the fee goes to the Department of Revenue. This bill provides that the Department of Revenue shall provide the style and design of the decal. If you take the Department of Revenue completely you would be giving that authority to the Department of Justice. The \$1.00 fee was intended to pay the cost of the decals.

SENATOR STIMATZ suggested the fee be raised to at least \$3.00.

SENATOR NOBLE stated they should transmit the application and the application fee to the Department of Justice. PAUL VERDON said that in Subsection B they could say "upon the receipt of application approved from the County Treasurer shall issue the applicant a decal numerically and the style and design by the Department of Justice".

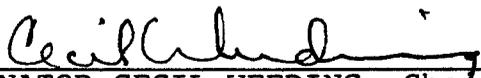
SENATOR FARRELL asked how snowmobiles handle the fee.

PAUL VERDON cited Section 20-22-284 regarding off-road vehicles states "the off highway decal fee is \$5.00 which the County Treasurer shall collect and transmit to the State Treasurer who shall deposit the money in an interest bearing account to the Department of Fish, Wildlife and Parks to be used to enforce this section". Of that \$5.00, \$3.50 goes to the Department of Justice, and \$1.50 goes to the County Treasurer.

The Committee agreed to reconsider SB 50 in order to coordinate SB 46 and SB 50 into one bill.

ADJOURNMENT

Adjournment At: 2:15 p.m.


SENATOR CECIL WEEDING, Chairman


PAT BENNETT, Secretary

CW/pb

Amendments to Senate Bill No. 46
First Reading Copy

Requested by Senator Weeding
For the Committee on Highways and Transportation

Prepared by Paul Verdon
January 14, 1991

1. Title, line 5.

Strike: "REGISTRATION"

Insert: "IDENTIFICATION AND TITLE"

2. Title, lines 6 and 7.

Strike: "61-3-101, 61-3-103, AND"

Insert: "61-1-102, 61-1-129,"

Following: "61-3-107,"

Insert: "AND 61-3-524,"

3. Title, lines 7 and 8.

Following: "PROVIDING" on line 7

Strike: the remainder of line 7 through "AND" on line 8

4. Page 1, line 11 through page 8, line 2.

Strike: sections 1 and 2 in their entirety

Insert: "Section 1. Section 61-1-102, MCA, is amended to read:

"61-1-102. Motor vehicle. "Motor vehicle" means every a vehicle propelled by its own power and designed primarily to transport persons or property upon the highways of the state, except that for the purpose of chapter 3, the term also includes trailers, semitrailers, and housetrailers. For the purpose of Title 61, chapter 3, parts 1 and 2, the term also includes campers. The term does not include a bicycle as defined in 61-1-123."

Section 2. Section 61-1-129, MCA, is amended to read:

"61-1-129. Camper. The term "camper" as used in 61-1-102, 61-3-524, and 61-3-525 includes but is not limited to truck camper, chassis-mounted camper, cab over, half cab over, non cab over, telescopic, and telescopic cab over, but does not include a truck canopy cover or topper weighing less than 300 pounds and having no accommodations attached."

5. Page 8, line 19.

Following: line 18

Insert: "Section 4. Section 61-3-524, MCA, is amended to read:

"61-3-524. Tax-paid decal required on camper -- application for decal -- application fee -- issuance. (1) ~~No~~ A camper subject to taxation in Montana may not be operated by any person on the public highways or streets in this state unless there is displayed in a conspicuous place ~~thereon~~ on the camper a decal as visual proof that the tax has been paid ~~thereon~~ on the camper for the current year.

(2) Application for the issuance of the decal ~~shall~~ must be

made to the department of revenue or the county treasurer upon forms to be furnished for this purpose, which may be obtained from the department or at the county treasurer's office in the county wherein of the owner resides owner's residence, and is to provide for substantially the following information:

- (a) name of owner;
- (b) address;
- (c) name of manufacturer;
- (d) model number;
- (e) make;
- (f) year of manufacture;
- (g) statement evidencing payment of the property tax; and
- (h) ~~such~~ other information as that the department may

require.

(3) ~~(a) The application must be signed by the county treasurer and transmitted by him shall:~~

(i) sign the application;

(ii) transmit the application to the department of revenue accompanied by an application fee of \$1; and

(iii) transmit a copy of the application to the department of justice.

(b) Upon receipt of the application in approved form, the department of revenue or county treasurer shall issue to the applicant a decal, numbered numerically, in the style and design prescribed by the department and of a different color than the preceding year, ~~numbered numerically.~~"

NEW SECTION. Section 5. Application for camper certificate of ownership. A person applying for a certificate of ownership of a camper shall furnish proof of ownership in the form of a notarized bill of sale or a conditional sales contract.

NEW SECTION. Section 6. {standard} Codification instruction. [Section 5] is intended to be codified as an integral part of Title 61, chapter 3, part 2, and the provisions of Title 61, chapter 3, part 2, apply to [section 5]."
Renumber: subsequent sections

6. Page 8, line 23 through page 9, line 1.

Strike: section 5 in its entirety

Insert: "NEW SECTION. Section 8. Applicability. [This act] applies to a camper sold or transferred after September 30, 1991. A person who owns a camper on September 30, 1991, is not required to obtain a certificate of ownership for the camper until the camper is sold or transferred."



EXHIBIT NO. 2
DATE 1-17-91
BILL NO. SB46

1215 ELEVENTH AVENUE
P.O. BOX 4396
HELENA, MONTANA 59604
406/442-2164

MONTANA MANUFACTURED HOUSING & RECREATIONAL VEHICLE ASSOCIATION

SB 46 Testimony

Outline of Benefits in Titling Campers by

MONTANA MANUFACTURED HOUSING & RV ASSOCIATION
Senate Highways Committee
January 17, 1991

This bill provides many benefits without creating excessive administrative expenses or developing additional systems to handle the service for owners, manufacturers, dealers, financial institutions, law enforcement officials, insurance companies, and, it improves the utilization of the state and local governments.

BENEFITS DERIVED FROM TITLING CAMPERS

For owners the following would accrue:

- financing available at lower actual cost
- theft probability reduced
- assurance of clear title
- recovery of stolen property enhanced

For financial institutions the following would accrue:

- wholesale--institution can hold MCO to stop dealer out-of-trust sales
- consumer paper--recorded liens on title prevents out-of-trust consumer transfers
- less risk--provides a clear chain of ownership and liens and provides for a recorded identification of the truck camper
- easier repossessions--same procedure as for automobiles
- financing procedures same as other RVs--simplifies and eliminates the dual procedures

For manufacturers and dealers the following would accrue:

- opportunity for increased sales due to available financing
- larger dealership displays
- uniform paperwork for all RVs
- truck camper trade-ins will have clear title

For insurance firms the following would accrue:

- less risk of theft
- lower premiums
- higher probability of recovery
- uniform paperwork for RVs

For law enforcement the following would accrue:

- enforcement and recovery easier
- method for recall procedure for safety violations

For state and local governments the following improvements:

- access for property taxes through registration lists and published value book
- develops additional revenues to diminish per transaction costs without increasing overhead costs



Recreation Vehicle Industry Association

P.O. Box 2999 • 1896 Preston White Drive • Reston, Virginia 22090
TELEPHONE (703) 620-6003 • TELEFAX (703) 620-5071

SEPARATE HIGHWAYS

EXHIBIT NO. 3

DATE 1-17-91

BILL NO. 5846

Post-It™ brand fax transmittal memo 7671

of pages 2

To: Senator Carol Wadding	From: Jason Moriak
Co.	Co. RVIA
Dept.	Phone # 800 336-0154
Fax # 406 444-4105	Fax # 703 620-5071

or 3036

January 17, 1991

Mr. Stuart Doggett
Montana Manufactured Housing
and RV Association
P.O. Box 4396
Helena, MT 59604

Dear Stuart:

I am writing on behalf of the Recreation Vehicle Industry Association, (RVIA) the national trade association which represents the manufacturers and their component suppliers of family camping vehicles (motor homes, travel trailers, folding-camping trailers, truck campers and van conversions). Together, our association members produce nearly 95 percent of the recreation vehicles sold in the United States.

RVIA strongly supports your efforts to bring changes in Montana law in order to create procedures for the titling of truck campers. Currently, we know that California, Michigan, Ohio, Oregon and Washington have titling and/or registration procedures and report them to be working successfully. RVIA's goal is to have truck campers titled and/or registered in all 50 states.

As you know, a truck camper is not the same as a truck cap. The industry defines it as a recreation vehicle that is a portable unit constructed to provide temporary living quarters for recreational, travel or camping use, consisting of a roof, floor, and sides, designed to be loaded onto and unloaded from the bed of a pickup truck.

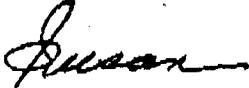
It is not uncommon for truck campers to sell for \$10-15,000 and they are sold by licensed RV dealers. These dealers also sell motor homes, travel trailers and fold-down camping trailers--all products which are licensed and titled. Except for financing and ownership papers, truck campers are treated as vehicles by the industry and consumers. Accordingly, RVIA includes truck campers as part of our monthly vehicle marketing report.

The titling of truck campers would provide several immediate benefits to our manufacturers and dealers including increased sales due to more available financing. If titled, a truck camper could be financed as a "vehicle" rather than a piece of personal property. Our industry would have uniform paperwork on all RVs in Montana and truck camper trade-ins could have clear titles. Moreover, other sectors would also benefit including the purchasers, financial institutions, insurance firms, law enforcement bodies and, of course, the state of Montana would receive increased revenues.

Mr. Stuart Doggett
January 17, 1991
Page 2

Stuart, if there is anything that RVIA can do to help further the passage of SB 46, for the titling of truck campers in Montana, please call on us, (800)336-0154. For your information, I have enclosed some materials that were used in other states.

Sincerely,



Susan M. Moriak
Assistant Director
Government Affairs

SM:cjg

Enclosures

cc: Senator Cecil Weeding

- Note: Enclosure will be forthcoming via mail.


**BRETZ
RV CENTER**
**FUN
TIME
CENTER**
2045 Mullan Road • Missoula, Montana 59802 • (406) 721-4010

SENATE HIGHWAYS

 Jan. 17, 1991 EXHIBIT NO. 4
 DATE 1-17-91
 BILL NO. SB46

Senator Cecil Weeding
 Chairman Senate Highways & Transportation Committee
 Capitol Station
 Helena, MT 59620

Dear Mr Chairman & Committee Members;

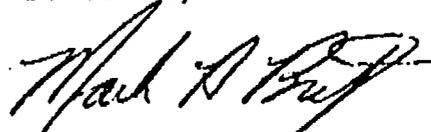
I am sorry I am not able to be with you for the senate committee hearing on Senate Bill 46. With this letter I wish to voice my support for this Bill and explain why this piece of legislation would be helpful.

Currently in the state of Montana it is difficult to obtain lender financing for pickup campers because the lender does not receive a lien filing as is customary for automobiles, travel trailers and motorhomes. The only way to protect the lenders secured interest at the present time is for the lender to file a UCC filing. The problem with the UCC is that most of the general public do not understand the process and buy units in private sales that may be subject to a lenders secured interest. The general public does understand a title and they know that if a lien is on the face of the title they need to get that released before the sale is consummated. Even lenders better understand the titling process. For this reason I feel that titling pickup campers would be beneficial.

I should note that I do have some concern about the bill in the following area. Pickup campers have not been registered on a regular basis with enforcement for some time in Montana. For this reason I am concerned about trying to definitely define the year of manufacture as is required by section 2 item (f). If it is the intent of section 3 to allow a pickup camper to be titled with a year listed as unknown this would take care of this problem.

Subject to the previous comment I endorse Senate Bill 46 and would ask for the committees support of this bill.

Sincerely



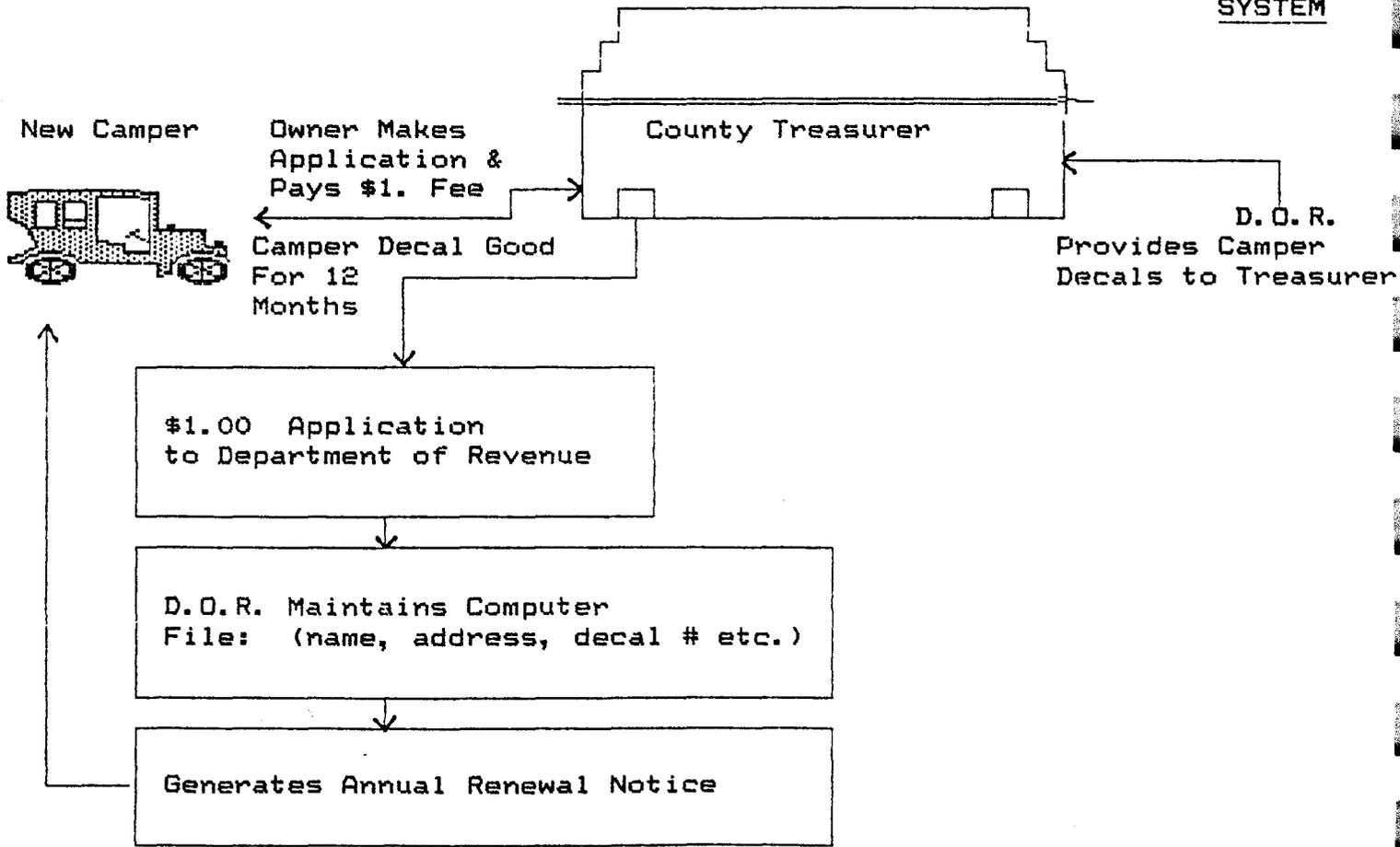
Mark A. Bretz

DATE 1-17-91
BILL NO SB46

ILLUSTRATION OF CAMPER DECAL PROCEDURE

Existing System

NEW SYSTEM



Amendments to Senate Bill No. 50
First Reading Copy

Requested by Senator Gage
For the Committee on Highways and Transportation

Prepared by Paul Verdon
January 15, 1991

1. Title, line 7.

Following: "CAMPER;"

Insert: "ALLOWING A PURCHASER OF A CAMPER A GRACE PERIOD FOR THE
PAYMENT OF TAX;"

2. Page 3, line 2.

Following: line 1

Insert: "NEW SECTION. Section 3. Grace period for registration
and payment of tax -- penalty for failure to pay tax. (1)

Unless the tax or fee provided in 61-3-523 and 61-3-524 for the year has been paid, upon the purchase of a new or previously owned camper, the purchaser has 20 days from the date of purchase to pay the tax or to apply for the camper decal fee, or both, as if the camper were being taxed for the first time in that registration year. The purchaser may operate or transport a camper on the highways of Montana without a tax-paid decal during the 20-day period if the operator of the camper or of the vehicle upon which the camper is transported has in his possession a 20-day certificate issued by a dealer, if the camper was purchased from a dealer, or a vehicle purchase certificate issued pursuant to 61-3-317. *or other evidence of purchase of the Camper*

(2) A purchaser who fails to make application and pay the tax within the time provided in subsection (1) is subject to a penalty of \$10, which must be collected by the county treasurer when the tax is paid and must be in addition to the fees otherwise provided by law.

NEW SECTION. Section 4. {standard} Codification instruction. [Section 3] is intended to be codified as an integral part of Title 61, chapter 3, part 5, and the provisions of Title 61, chapter 3, part 5, apply to [section 3]."

Renumber: subsequent section

COMMITTEE ON: HIGHWAYS AND TRANSPORTATION

DATE: Jan. 17-1991

VISITOR'S REGISTER

NAME	REPRESENTING	BILL #	SUPPORT	OPPO:
J. Beck	MDOH	80	✓	
Keith Osterline				
Ben Hardson	MMCA	80	✓	
DAVE GALT	MDOH	80	✓	
Bred Schoen	Motor Vehicle Ass.	46	neutral	
Jake Hart	Harris Pw.	46	✓	
Stuart Payette H	Int. Manufactured Housing & RV Assoc	46	✓	

(PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY)

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 17th day of Jan, 1991.

Name: DARYLL (BUD) SCHOFER

Address: # 812 ~~CONNECTICUT~~ REGISTRAR'S BUREAU
DEER LODGE, MT 59722

Telephone Number: 846-1423

Representing whom?
Motor Vehicle Division

Appearing on which proposal?
SB 46

Do you: Support? Amend? Oppose?

Comments:
amendments appear to have satisfied concerns.

