

HOUSE BILL NO. 137

INTRODUCED BY G. CLANCY

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE USE OF STATE VEHICLES AS COURTESY CARS AT CERTAIN MONTANA AIRPORTS; AND PROVIDING FOR THE ADMINISTRATION OF THE COURTESY CAR PROGRAM AND SETTING THE TERMS AND CONDITIONS OF THE PROGRAM."

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

NEW SECTION. **Section 1. Purpose.** (1) The purpose of [sections 1 through 6] is to establish a nonprofit program to provide state vehicles as courtesy cars at certain Montana airports where rental cars are not available.

(2) The purpose of the program is to provide the aerial visitor with ground transportation for short-term use between the airport and the local business or recreational area.

(3) To accomplish this purpose, [sections 1 through 6] provide for the administration of the courtesy car program and for the safety, maintenance, insurance, administrative and physical costs, rental fees, and forms and accounting necessary to administer the program.

NEW SECTION. **Section 2. Definitions.** As used in [sections 1 through 6], the following definitions apply:

(1) "Airport" means an airport and landing field, as defined in 67-1-101, that does not have commercial automobile rental services available. The term includes a regional airport authority or municipal airport authority as defined in 67-1-101.

(2) "Courtesy car" means a motor vehicle provided by the state for the purposes and pursuant to the conditions set out in [sections 1 through 6].

(3) "Local sponsor" means a person or entity that enters an agreement with an airport to provide courtesy car services.

(4) (a) "User" means a state employee on official government business and includes pilots and passengers using an airport.

(b) The term does not include local residents or airport personnel unless authorized pursuant to



1 [section 5(3)].

2

3 **NEW SECTION. Section 3. Use of state vehicles as courtesy cars at airports -- department**  
4 **responsibilities.** (1) Upon request of an airport, the department may provide courtesy cars for use at a  
5 qualified airport, as provided in [sections 1 through 6].

6 (2) The courtesy car program is not intended to compete with commercial car rental agencies.  
7 Courtesy cars may not be assigned to an airport that services a community where commercial rental cars  
8 are available. If rental cars become commercially available at an airport where courtesy cars have been  
9 assigned, the courtesy cars must be removed.

10 (3) The department shall administer the courtesy car program, including:

11 (a) providing vehicles in a safe and roadworthy operational status; however, a vehicle offered for  
12 use as a courtesy car is issued on an "as is" condition;

13 (b) maintaining title to all vehicles used in the courtesy car program and appropriately identifying  
14 the vehicles as courtesy cars;

15 (c) registering and licensing each courtesy car and maintaining the registration and license in a  
16 current status;

17 (d) maintaining the legally required liability and property damage insurance, as set out in 61-6-103,  
18 for each courtesy car offered for use under [sections 1 through 6];

19 (e) providing program accounting, compliance, and procedures for the operation of courtesy cars;

20 and

21 (f) preparing and furnishing all necessary forms for administration of the courtesy car program.

22 (4) The department may adopt necessary rules to administer the courtesy car program, pursuant  
23 to its authority in 67-2-102, including the establishment and periodic adjustment of user fees, mileage  
24 fees, and overnight fees. All fees collected must be used for the ongoing administration and operation of  
25 the courtesy car program.

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27 **NEW SECTION. Section 4. Airport responsibilities and obligations.** (1) An airport that desires  
28 courtesy car services shall sign an agreement with the department to provide the services at a qualified  
29 airport. The airport shall then procure a responsible party to act as a local sponsor and assign the local  
30 sponsor to the airport to rent courtesy cars. A local sponsor may be a fixed base operator, an airport

1 manager, or other responsible party. The airport shall ensure that the local sponsor is familiar with and  
2 complies with all conditions of the courtesy car program.

3 (2) The airport shall submit or cause to be submitted all required monthly reports to the  
4 department as required in [section 5(1)(h)].

5 (3) The airport shall procure any insurance that it considers necessary and appropriate to protect  
6 itself from risk of loss.

7 (4) Any agreement between the department and an airport for courtesy car services and any  
8 assignment of a local sponsor to rent courtesy cars are subject to immediate termination if rental cars  
9 become commercially available at an airport where courtesy cars have been assigned.

10 (5) An agreement between the department and an airport pursuant to this section is subject to  
11 renewal every 2 years.

12 (6) An agreement between the department and an airport for courtesy car services may be  
13 canceled by either party at any time, with or without cause, upon 30 days' written notice specifying the  
14 date of termination. Upon termination, the airport shall promptly discontinue all work associated with the  
15 courtesy car program and notify the local sponsor to discontinue program work. The airport shall return  
16 or cause to be returned to the department all money, property, records, reports, and any other information  
17 and materials that the airport may have accumulated in performing the agreement.

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19 **NEW SECTION. Section 5. Responsibilities and obligations of local sponsor.** (1) A local sponsor  
20 shall make courtesy cars available to users pursuant to the procedures of operation of the courtesy car  
21 program in [sections 1 through 6]. The procedures of operation require a local sponsor to:

22 (a) whenever possible, provide a carport for storage of a courtesy car when it is not in use. When  
23 available, a carport should include ceiling lighting and an accessible electrical outlet to plug in an engine  
24 heater. The vehicle and the carport, if provided, must be readily visible to the arriving user.

25 (b) maintain a courtesy car in safe and operable condition at all times in accordance with the  
26 vehicle manufacturer's recommendations and with the department's vehicle maintenance and safety  
27 procedures, which may include a monthly checklist and maintenance inspection report to the department;

28 (c) inspect each courtesy car prior to making it available for use, which may include completion  
29 of a preissue checklist, and note any damage or deficiency and make any necessary repairs, subject to  
30 subsection (1)(e);

- 1 (d) ensure that no decals or painted advertisements appear on a courtesy car;
- 2 (e) pay all maintenance costs, either out of income derived from user fees or as financed by the  
3 airport; however, major repairs or costs in excess of \$200 must be approved in writing by the department  
4 before being undertaken;
- 5 (f) provide security and access of the courtesy car for the duration of the assignment;
- 6 (g) collect from each courtesy car user any fees established by department rule and establish a  
7 joint bank account in a bank agreed upon by the department for deposit of collected fees. The account  
8 must be identified as a courtesy car fund and be held jointly in the name of the local sponsor and the  
9 department. Only one person may be authorized to sign checks drawn on the account or to withdraw  
10 funds from the account as a representative of a local sponsor. A local sponsor's expenditures from the  
11 account are limited to only those necessary and proper for the operation and maintenance of the courtesy  
12 car program. The account balance must be monitored monthly by the department and may not exceed  
13 \$400 for each courtesy car, after the monthly report of receipts and expenditures has been forwarded to  
14 the department. All amounts in the account in excess of \$400 for each courtesy car must be remitted to  
15 the department each month.
- 16 (h) make monthly reports to the department, including:
- 17 (i) a copy of the bank statement concerning the courtesy car fund, which may not contain more  
18 than \$400 for each courtesy car;
- 19 (ii) a completed maintenance inspection form for each courtesy car;
- 20 (iii) a completed accounting report; and
- 21 (iv) a copy of each trip form completed during the preceding month;
- 22 (i) require all courtesy car users to complete a trip form; and
- 23 (j) post the rules for participation in the courtesy car program in a conspicuous place at the airport.
- 24 (2) A local sponsor shall require each courtesy car user to produce identification that proves that  
25 the user is currently a licensed driver.
- 26 (3) A local sponsor may not provide a courtesy car for use by local residents or airport personnel  
27 unless prior written authorization is obtained from the department. However, local residents or airport  
28 personnel may use a courtesy car during an emergency.
- 29 (4) The duties and obligations of a local sponsor may not be subcontracted, delegated, reassigned,  
30 or performed by any other party without the permission of the airport. If a local sponsor fails to comply

1 with the provisions of [sections 1 through 6], the assignment must be terminated and another local  
2 sponsor procured.

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4 NEW SECTION. **Section 6. Responsibilities and obligations of users.** (1) The user of a courtesy  
5 car shall sign out and sign in the vehicle on forms provided by the department. A trip form must be  
6 completed each time that a courtesy car is provided. The trip form must include, at a minimum:

7 (a) the user's name, address, and driver's license number;

8 (b) the name of the user's automobile insurance company;

9 (c) the name of the airport and the city to which the courtesy car will travel;

10 (d) the license number of the courtesy car;

11 (e) the date and time that the courtesy car is taken and returned;

12 (f) the odometer reading of the courtesy car when taken and when returned; and

13 (g) a record of any use fees, mileage fees, and overnight fees charged and collected from the user  
14 and a record of fuel reimbursements paid to the user.

15 (2) A user shall agree in writing that the user's automobile insurance will be primary over all other  
16 policies or contracts while the courtesy car is in use. The user shall agree in writing to indemnify and  
17 protect the state, the department, the airport, and the local sponsor from all risk or loss associated with  
18 the use of a courtesy car. The user is responsible for and shall reimburse the department for loss of or  
19 damage to the courtesy car while in the user's possession. The user is responsible for any claims made  
20 by third parties for bodily injury, wrongful death, or property damages associated with the user's  
21 negligence or misuse of a courtesy car, and the department, airport, and sponsor may not incur liability  
22 for a user's negligence or misuse of a courtesy car.

23 (3) A user shall report to the local sponsor all injuries, accidents, or claims resulting from the use  
24 of a courtesy car as soon as possible, but not later than upon return of the courtesy car or within 24 hours  
25 of an injury or accident, whichever occurs first.

26 (4) Without limitation of any general obligation or responsibility imposed by a courtesy car  
27 agreement, a user is solely liable and responsible for all fines, penalties, and forfeitures imposed for traffic  
28 and parking violations while the courtesy car is in use.

29 (5) A courtesy car may be used only between the airport and the local trading or recreation area.  
30 Travel in a courtesy car across the state line or beyond the local trading or recreation area is prohibited.

1           (6) Use of a courtesy car may not exceed 24 hours. If a user keeps a courtesy car overnight, an  
2 additional overnight fee, as determined by department rule, must be charged and collected.

3           (7) A courtesy car may not be reserved by advance reservation.

4           (8) As a courtesy to the next user, a user shall replace any gasoline expended during the rental.  
5 Upon presentation of a proper receipt, the user must be reimbursed from the courtesy car fund for  
6 replacement gasoline upon return of the courtesy car to the local sponsor.

7           (9) A user shall report any vehicle defects, necessary repairs, or concerns regarding the courtesy  
8 car to the local sponsor.

9           (10) The unqualified right to deny use of a courtesy car is reserved to the local sponsor. The local  
10 sponsor shall deny the use of the courtesy car for failure of a user to provide all necessary trip information,  
11 including insurance information, or to agree to all terms of a courtesy car rental.

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13           NEW SECTION. **Section 7. Codification instruction.** [Sections 1 through 6] are intended to be  
14 codified as an integral part of Title 67, and the provisions of Title 67 apply to [sections 1 through 6].

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