

MINUTES

**MONTANA SENATE
57th LEGISLATURE - REGULAR SESSION
COMMITTEE ON HIGHWAYS AND TRANSPORTATION**

Call to Order: By **CHAIRMAN ARNIE MOHL**, on February 19, 2001 at 3:05 P.M., in Room 350 Capitol.

ROLL CALL

Members Present:

Sen. Arnie Mohl, Chairman (R)
Sen. Ric Holden, Vice Chairman (R)
Sen. Dale Berry (R)
Sen. Vicki Cocchiarella (D)
Sen. Bob DePratu (R)
Sen. Dan Harrington (D)
Sen. Sam Kitzenberg (R)
Sen. Gerald Pease (D)
Sen. Glenn Roush (D)

Members Excused: Sen. Jerry O'Neil (R)

Members Absent: None.

Staff Present: Connie Erickson, Legislative Branch
Marion Mood, Committee Secretary

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

Committee Business Summary:

Hearing(s) & Date(s) Posted:
Executive Action: SB 448

EXECUTIVE ACTION ON SB 448

Note: A substitute motion to table this bill failed, 5 - 5, on Feb. 17, 2001 (see minutes for Feb. 17, 2001), and a **do pass motion** was still on the table.

SEN. VICKI COCCHIARELLA informed the committee that Amendment #SB044801.ace, **EXHIBIT(his41a01)**, had been prepared which changed the funding source for this proposal from attaching a portion of the fuel distributor's fee to adding a surcharge for specialty license plates. After finding out that at least 80,000 specialty plates are sold each year, she and **SEN. BOB DEPRATU** decided to add a \$3 fee per plate which would then go to fund transportation services for the elderly and disabled. **SEN. DEPRATU** proclaimed that it was his intention all along to have the amendment written this way as well as include the same surcharge for the Lewis & Clark plates if SB 393 goes through. This would provide the funding for SB 448.

Dave Bohyer, who was sitting in for **Connie Erickson**, referred to the amendment as in Exhibit (1).

Substitute Motion: **SEN. DEPRATU** moved that **AMENDMENT #SB044801.ace** BE ADOPTED.

Discussion:

SEN. DEPRATU repeated that with this amendment, the funding was removed from the fuel distributors and changed to the personalized license plate as well as the Lewis & Clark plates. The fee was to be \$3 in addition to the current taxes and fees, raising them from \$25 to \$28. He pointed out that these plates are bought voluntarily, meaning people have a choice to support this other program. **VICE CHAIRMAN RIC HOLDEN** asked if a person living in Carter County bought such a plate, his money might end up going to some other district. **SEN. DEPRATU** confirmed that it was going to be distributed statewide. **VICE CHAIRMAN HOLDEN** asked for confirmation that this \$3 fee would be charged in addition to the fees already in place. **SEN. DEPRATU** repeated that there would be a \$3 fee on these specialty plates, not the conventional ones required by law. **SEN. COCCHIARELLA** affirmed that this money would go to every county in the state, since it is a requirement that if transportation is provided anywhere for anyone, it has to be available for seniors and the disabled as well. **VICE CHAIRMAN HOLDEN** asked **SEN. DEPRATU** how much money he anticipated raising and was told the amount expected was about \$240,000. **VICE CHAIRMAN HOLDEN** remembered the original fiscal note to be \$80,000 and said this would really raise it. **SEN.**

DALE BERRY injected that the total amount collected from the fuel distributors was about \$1.8 million, half of which would have gone to funding the transportation programs. **CHAIRMAN ARNIE MOHL** then wondered if the \$80,000 would be eliminated if people elected to pay the extra charge and fund the program that way, and **SEN. DEPRATU** confirmed that. **Dave Bohyer** informed the committee that he had drafted a second amendment, #SB044801.adb, **EXHIBIT (his41a02)**, which stated that the surcharge would be tied in with SB 393 which addresses the Lewis & Clark plates. This second amendment also contains a coordination clause that if SB 393 passes, the \$3 fee would be added to each plate sold, and the money would go into the same trust account as that relating to SB 191. To **CHAIRMAN MOHL'S** question if this would add more money to the bill, **SEN. DEPRATU** replied it did not, it just cleared up the language by coordinating the two amendments.

Vote: Motion **TO ADOPT AMENDMENT #SB 044801.ACE** carried 8-1 with **Holden** voting no.

Motion/Vote: **SEN. DEPRATU** moved that **AMENDMENT #SB044801.ADB** BE **ADOPTED**. Motion carried 9-0.

Motion: **SEN. DEPRATU** moved that **SB 448 DO PASS AS AMENDED**.

Discussion:

VICE CHAIRMAN HOLDEN maintained that any locality which wants to establish a transportation district could set one up with the support of their voters by simply putting a mill levy on the ballot. This bill syphons money out of areas which do not have a transportation district and funnels the monies into the larger cities which do have one. He did recognize that smaller communities could rally behind this but won't because their was no support for additional mill levies. He felt it was not good public policy to charge people who want the personalized plates more money, and then redistribute the money out of their communities into areas with organized transportation districts. **SEN. DEPRATU** said he understood his concerns but felt passage of this bill would also help the vice chairman's community by potentially reducing the mill levy requests for programs like this. **SEN. COCCHIARELLA** expressed hope that **VICE CHAIRMAN HOLDEN** did not believe that this was a mandatory tax on people. She stated it was a choice, not a tax increase, not attached to conventional plates, and it was not limited to any county. She felt it was a wonderful opportunity to help seniors and the

disabled.

Vote: Motion that **SB 448 DO PASS AS AMENDED** carried 9-1 with **Holden voting no**, and **SEN. O'NEIL** and **SEN. KITZENBERG** voting aye by proxy.

Note: A combined amendment, #SB 044801.ace, **EXHIBIT(his41a03)** was handed in to the secretary on Feb. 20, 2001.

ADJOURNMENT

Adjournment: 3:25 p.m.

SEN. ARNIE MOHL, Chairman

MARION MOOD, Secretary

AM/MM

EXHIBIT (his41aad)