

MINUTES

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

Call to Order: By **CHAIRMAN ARNIE MOHL**, on March 13, 2001 at 3:15 P.M., in Room 405 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. Jerry O'Neil (R)
Sen. Gerald Pease (D)
Sen. Glenn Roush (D)

Members Excused: None.

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: HB 131, 3/1/2001;
HB 578, 3/6/2001;
HB 378, 3/1/2001;
HB 401, 3/1/2001;
HB 432, 3/1/2001

Executive Action: HB 131; HB 432;
HB 378; HB 578;
HB 363

HEARING ON HB 131

Sponsor: REP. ROGER SOMERVILLE, HD 78, KALISPELL

Proponents: Dave Galt, Montana Department of Transportation
Bob Gilbert, Montana Petroleum Marketers
Barry Stang, Montana Motor Carriers Assn.

Opponents: None

Opening Statement by Sponsor:

REP. ROGER SOMERVILLE, HD 78, KALISPELL, opened by saying that HB 131 deals with tax evasion through the use of unauthorized motor fuel. It was brought about because of SB 311, 1999 session, by which the interim Motor Fuel Tax Advisory Committee studied motor fuel tax problems. The department felt that 8% to 10% of pickup trucks and RV's get dyed diesel fuel wrongfully at the pumps, even though they are specially marked. The department estimates it loses about three million dollars per year to this kind of tax evasion which affects the highway special revenue fund.

Recommendations ranged from eliminating the sunset on SB 311 to making sure all the dyed diesel pumps have the proper stickers on them or to increase the penalties from a criminal to a civil penalty. He went on to say that neither the Highway Patrol nor the department is authorized to check vehicles under 10,000 lbs. This bill would allow vehicles weighing less than 10,000 lbs. to be checked for this infraction. He referred to page 3, line 1 where it says "if probable cause exists", and assured the committee that this matches up with a Supreme Court decision under which vehicles cannot be randomly checked. The department has about 15 mobile GVW officers who have the capability and the equipment to stop and test vehicles, upon receiving reliable information that they are using dyed diesel fuel on the highway illegally.

Proponents' Testimony:

Dave Galt, MDT, praised REP. SOMERVILLE for the excellent job he did explaining not only what HB 131 did but also why it is needed and how the department is going to implement it. He pointed out that under current law, there was a conflict. Under the statutes in the fuel section, an employee of the department may check any special fuel powered vehicle; under the section applying to the authority of the motor carriers services division, it says they can only pull over and check a vehicle over 10,000 lbs. He explained that the reasonable and probable cause section ensures that the right to privacy will not be violated; it means that the

department's employees either have to witness people filling up with dyed diesel or they have to have a signed complaint from a witness. He felt this bill was an important measure which addresses existing loopholes with regards to fuel tax evasion in Montana.

Bob Gilbert, Montana Petroleum Marketers' Association, stated his organization represents about 75% of the retail outlets and 90% of the dyed fuel distribution at the wholesale level, and they support the enforcement method brought forth in HB 131 to curb illegal use of dyed diesel fuel on the highways because of its impact on the highway fund. He also stressed that if unchecked, this abuse could lead to higher fuel taxes to make up for the loss caused by violation of the law.

Barry Stang, Montana Motor Carriers Association, also stood in support of HB 131, stating that MMCA's main concern was to avoid an increase in fuel tax for its members and ordinary taxpayers.

Questions from Committee Members and Responses:

SEN. BOB DEPRATU asked whether the department was getting complaints from people who witness a light vehicle or pickup getting dyed diesel fuel. **Mr. Galt** replied that they did, but unfortunately, some of those complaints were anonymous, and he said that his own staff has observed some of these incidents themselves. **SEN. DEPRATU** wondered if the department at some point had video surveillance. **Mr. Galt** explained that the department had, on two occasions, sent people across the state to watch various retail outlets and count the number of people who fill up at the diesel pump and put the dyed fuel into their vehicle's tank. About four years ago, the evasion rate was close to 5%, and it has climbed steadily. In cases where there had been video surveillance, the perpetrators were stopped and cited. **SEN. DEPRATU** then wanted to know if there could be some type of surveillance under the provisions of this bill, maybe concentrating on pumps where there have been problems. **Mr. Galt** stated that his preferred method of gathering such evidence would be through visual observation rather than using a video.

VICE CHAIRMAN RIC HOLDEN admitted he did not like the bill in its original form, fearing it would lead to every pickup and light truck being pulled over and checked on the highway. He, therefore, appreciated the inserted clause regarding probable cause and wondered who had come up with that idea. **Mr. Galt** answered he was not sure, and referred the question to the sponsor. **REP. SOMERVILLE** explained that this issue had come up in the House Transportation Committee, and **Greg Petesch**, Legal Services, helped with the language to match it to a Supreme Court

decision in order to prevent future legal challenges. **VICE CHAIRMAN HOLDEN** wondered why the department had originally objected to this clause. **Mr. Galt** said there had been different opinions within the department, whether it should say "probable cause" or "reasonable cause". He felt "probable cause" was a standard law enforcement term, and he and the department supported this language. **VICE CHAIRMAN HOLDEN** inquired whether the department was planning on setting up roadblocks to check all vehicles with diesel engines. **Mr. Galt** said they would not do that; in fact, he had told the House Committee that the bill as written made him nervous, and that was why the language had been changed.

Closing by Sponsor:

REP. SOMERVILLE closed on HB 131, saying that the Fuel Advisory Council had suggested last November that the department start doing some advertising to get the word out that dyed fuel should not be used on highways, including secondary and gravel roads, but the timing was poor because they found themselves competing with all the campaign advertising. He repeated that the money the department was losing equated to 12 to 15 million dollars worth of construction and stressed that this tax evasion needed to be stopped.

HEARING ON HB 578

Sponsor: **REP. TIM CALLAHAN, HD 43, GREAT FALLS**

Proponents: **Gov. Tim Babcock, former governor, Montana**
Tom Harrison, Agritech
Joe Mazurek, City of Great Falls
REP. JOE MCKENNEY, HD 49, GREAT FALLS
Nancy Schlepp, Montana Farm Bureau
Bob Stephens, Montana Grain Growers

Opponents: **None**

Opening Statement by Sponsor:

REP. TIM CALLAHAN, HD 43, GREAT FALLS, opened by saying that HB 578 provides for the extension of the tax incentive for the production of alcohol to be mixed with gasoline to make gasohol. The new deadline would be July 1, 2010, up from July 1, 2005, and explained changes requested as per Amendment #HB057802.ajm, **EXHIBIT (his57a01)**.

Proponents' Testimony:

Gov. Tim Babcock, former governor, Montana, told about his pet project, namely to get an ethanol plant built in Great Falls. He said that in order to get financing, they need assurance from the state that ethanol use is going forward. He stated that he was in favor of the amendment allowing 24 months instead of 18 since there was no need for tying up that money until the next biennium.

Tom Harrison, Agritech, explained that the 24 month clause merely meant postponement into or past the next legislative session, no matter whether the plant was approved in the near future or a year from now. He emphasized this was a huge project, costing lots of money but also presenting lots of benefits to Montana's agriculture.

Joe Mazurek, City of Great Falls, stated that Great Falls stood in support of HB 578 and said that there are a number of incentives important to getting the financing established so the plant can be built. It would greatly help the grain industry and would add many jobs in the region.

REP. JOE MCKENNEY, HD 49, GREAT FALLS, told the committee that he is carrying a companion bill in the House, dealing with equipment tax relief. He stressed that with these, there is a chance to develop a whole new industry in Montana, one that would fit in well with our agriculture industry.

Nancy Schlepp, Montana Farm Bureau, felt that these incentives made sense for several reasons, among them the possibility for an incredible economic boost for the state. She heard estimates of 30 million bushels of wheat being used to produce ethanol which would translate into many new jobs. She referred to the fiscal note, estimating the tax incentives could cost the state up to 6 million dollars, depending on how many plants would be built and claim the tax incentive. She countered by saying that if 30 million bushels of wheat could be produced, it would bring in a huge amount of money. She also stressed that ethanol burns much cleaner than gasoline which would benefit the environment.

Bob Stephens, Montana Grain Growers' Association, told the committee of a group near Conrad which is planning on building six to eight ethanol plants. He claimed that this group had the necessary financing locked in and planned on breaking ground soon.

Informational Testimony:

Dave Galt, Department of Transportation, understood the importance of new jobs and offered to answer any questions.

Questions from Committee Members and Responses:

CHAIRMAN ARNIE MOHL asked what would happen if the 24-month waiting period started in an off-year, one where the legislature did not meet, would the legislators have to come back and vote on this. **Mr. Galt** responded that a business plan must be filed, and it takes 24 months from the time the business plan is received by the department before the manufacturer is eligible for the tax incentive. This means that if the plan is filed in an off-year, it would be 24 months later before they qualify for the incentive. He stated that **Bob Turner, MDT**, was available to answer further questions. **CHAIRMAN MOHL** asked what kind of impact this would have on the department's ability to make long-range budget plans. **Mr. Galt** answered that the department has a positive working capital balance; they do not have this money set aside in anticipation, but they know this liability is out there. He speculated it might work the balance down, but emphasized that the department was still able to match funds. **CHAIRMAN MOHL** wondered what would happen down the road if a plant came on line in an off-year, after they had budgeted their money for the two-year period, and they were left without the ability to match funds. **Mr. Galt** if the timing was such that they were unable to come up with the matching funds, they would have to back off on some projects. **CHAIRMAN MOHL** suggested an amendment requiring the plant could not file in an off-year. **Mr. Galt** offered **EXHIBIT (his57a02)** to help explain their budgeting plan, and called the committee's attention to the bottom line, showing the ending working capital for fiscal year 2001 as being over \$17 million. The anticipated balance for 2002 is \$9 million; if a plant came on line in 2002, which is an off-year, and the department was required to pay up to \$6 million in incentives, that working capital balance would be reduced to \$3 million, meaning they would be in danger of going insolvent. If this cannot be fixed in the next legislature, it would continue to decline, and they would have to somehow reduce expenditures within the department, or not let any projects for bids. **CHAIRMAN MOHL** contended that he did not want to create any problems, but just wanted to add a word of caution for the next legislature.

SEN. DEPRATU asked what the likelihood would be that the plant in Great Falls would earn a \$6 million tax credit should it come on line. **Gov. Babcock** explained that the tax credit could not be more than \$3 million to any one company. **SEN. DEPRATU** wondered if the plant could produce enough ethanol in the first year to

qualify for the full \$3 million. **Gov. Babcock** thought that they could.

SEN. JERRY O'NEIL wondered what would happen if someone turned in the business plan, thinking they would get financing from XYZ company, and then this changed; would that negate the plan. **Mr. Galt** wanted clarification that he meant if there was any change in the original business plan, would that restart the clock on the plan, which **SEN. O'NEIL** confirmed. **Mr. Galt** explained that if someone changed their funding source, and still met their plant production, they would still be eligible for the tax credit 24 months after the date of receipt of the business plan. **SEN. O'NEIL** asked how many gallons of alcohol would be derived from a bushel of wheat, and **Mr. Galt** answered about three gallons.

Closing by Sponsor:

REP. CALLAHAN closed on HB 578.

HEARING ON HB 378

Sponsor: **REP. MICHELLE LEE, HD 26, LIVINGSTON**

Proponents: **Bob Stevens, self**
Russ Ritter, Montana Rail Link
Pat Keim, Burlington Norther & Santa Fe
Fran Marceau, United Transportation Union
James C Green, Montana/Wyoming Association of
Railroad Passengers
Michael Ackley, Montana/Wyoming Association of
Railroad Passengers
Greg Gilchrist, Brotherhood of Locomotive
Engineers
Irene Thur, self

Opponents: **None**

Opening Statement by Sponsor:

REP. MICHELLE LEE, HD 26, LIVINGSTON, stated that HB 378 creates an account for donations which will fund an engineering and operating study for a southern Amtrak route. Amtrak's goal is to be self-sufficient, and plans towards that goal include overall service improvements as well as the implementation of a southern route. Issues considered in an engineering and operating study are the towns in which the trains will stop, whether it runs during the day or night, route distance, schedules, the kind of

rail cars provided, and whether or not it will include mail or express cars. She continued that consideration is also given to operating statistics, revenue and expense, speed and safety improvements as well as facilities.

Proponents' Testimony:

Bob Stevens, self, stated that he and his wife had started the first full-service travel company in Bozeman in 1965. He welcomed the idea of a southern Amtrak route, and lauded the fact that there would be a study and the way it was funded. He suggested inter-connections between the different travel modes, i.e. trains to take people to a major airport and such, as well as having a train system at the destination to take you to various other places. He pointed to the lack of inter-connections in Montana along the present Amtrak route, citing the lack of transportation to important hubs from our park system, and advocated passage of this bill.

Russ Ritter, Montana Rail Link, stood in support of HB 378 but mentioned one caveat, namely that their tracks might not be built for the type of high-speed passenger travel the sponsor envisioned. He felt this would not be an insurmountable problem, but it needed to be addressed, and the cost would have to be borne by Amtrak.

Pat Keim, Director of Government Affairs, BNSF, also rose in support of HB 378. He pointed to his company's long history of working with Amtrak, and mentioned their tracks being meant for freight train traffic, necessitating some reconfiguration of the tracks by Amtrak. He offered their help, though, in accommodating Amtrak and working the schedules for both the passenger and freight traffic.

Fran Marceau, United Transportation Union, spoke in favor of HB 378 because it gave Montanans another travel option, one that was safer and more environmentally friendly. It will provide about 60 jobs, and he stressed that Amtrak is a very good employer. He went on to say that the new route would benefit Montana Rail Link and BNSF as well, with Amtrak being one of Burlington Northern's largest customers.

Jim Green, Montana/Wyoming Assn. of Railroad Passengers, stood in support of HB 378, saying his organization had started the discussion regarding a southern route. He stressed the potential for revenue was there; it would cost some money during the first few years, but in due time, it would pay for itself.

{Tape : 2; Side : A; Approx. Time Counter : 0}

Michael Ackley, Montana/Wyoming Assn. of Railroad Passengers, welcomed this bill as a means to promote growth in tourism.

Greg Gilchrist, MT State Legislative Board, Brotherhood of Locomotive Engineers, asked for support of HB 378, stressing that a viable southern Amtrak route would be an asset to Montana, creating a transportation alternative and allowing an increase in tourism.

Irene Thur, self, was in favor of increasing passenger service, citing high gasoline prices and safety reasons.

Informational Testimony:

Pat Saindon, Administrator, Rail Transit & Planning Division, MDT, informed the committee that her division would administer the account if HB 378 passes, and offered to answer any questions.

Questions from Committee Members and Responses:

SEN. SAM KITZENBERG referred to testimony regarding the refurbishing of the tracks, and asked if there was a cost estimate. **Russ Ritter** thought it would be at least \$200,000 for the roughly 900 miles through Montana. **SEN. KITZENBERG** asked the same question of the sponsor. **REP. LEE** replied this would be determined in the engineering and operating study. **Jim Green** admitted he did not know the dollar amount either, but pointed to the 128 miles of curves which would have to be elevated for the higher train speeds and would have a higher incidence of maintenance.

SEN. O'NEIL asked, with Amtrak paying for the track upgrades and private donations funding the study, what would this route cost the state. **REP. LEE** said she did not know, the study would determine that.

Closing by Sponsor:

REP. LEE closed on HB 378, stating that the study did not cost the state anything, it would merely administer it, but the driving force were the citizens of Montana.

Sponsor: REP. MICHELLE LEE, HD 26, LIVINGSTON

Proponents: Russ Ritter, Montana Rail Link
Jim Green, Rep. For Operation Life Saver
Fran Marceau, United Transportation Union
Pat Keim, Burlington Northern & Santa Fe
Greg Gilchrist, Brotherhood of Locomotive
Engineers

Opponents: None

Opening Statement by Sponsor:

REP. MICHELLE LEE, HD 26, LIVINGSTON, opened by saying that HB 401 creates the vandalism prevention act and is designed to better inform the public of widespread vandalism on railroad property. It is modeled after federal legislation which has been adopted by 27 states, and these states have recorded a marked drop in vandalism. She said that current vandalism law is not being enforced as it pertains to railroads, and pointed out that the penalties contained in the bill were the maximum allowable penalties; it would be up to the judge to decide which one to impose.

Proponents' Testimony:

Russ Ritter, Montana Rail Link, handed out **EXHIBIT (his57a03)**, photos describing some of the vandalism, saying that spray painting and pop art were in vogue now. He referred to legislation passed two years ago which dealt with trespassing and admitted that some people may dispute the need for new legislation. This bill, though, goes a bit further in preventing serious problems, such as shot out signals or vandalism to the tracks. He stated he wanted to make this into a public relations program, take it to the schools and highlight the fact that there is now a railroad vandalism law and violators will be dealt with. Graffiti can have disastrous consequences, for instance, when kids spray over the number of a railroad car. If this car carried hazardous materials and derailed, it could not be identified. He emphasized that this bill was not an attempt to prevent people from crossing the tracks to go hunting or fishing, but was designed to prevent potentially dangerous vandalism. He also stated that it costs about \$3,000 to repaint a car, and last year, this added up to \$66,000.

Jim Green, representative for Operation Lifesaver, talked about visiting schools and professional bus and truck drivers to inform them about the dangers of vandalism because most people do not realize its magnitude.

Fran Marceau, United Transportation Union, also stood in support of HB 378.

Pat Keim, BNSF, proclaimed his support for HB 378, and added just a few points to **Mr. Ritter's** testimony; he assured the committee that this bill was not aimed at putting people in jail or bankrupt them, it actually lowered the maximum penalty, and he felt this made it more palatable to judges imposing these fines. The intent was to use it as a safety tool to help Operation Lifesaver in their presentations. To illustrate how serious this problem can be, he related an incident which happened in their rail yard in Denver. An employee was told to switch one car to a different track and walked around the car because its numbers had been covered up with spray paint; as he did so, the car moved, and he suffered an amputation.

Greg Gilchrist, Brotherhood of Locomotive Engineers, rose in support of HB 378 because vandalism can and does hurt people.

Questions from Committee Members and Responses:

SEN. KITZENBERG referred to the fines regarding stowaways on page 3, line 24 through 26 and asked who would reimburse the county for the 6 month jail term. **REP. LEE** replied the county would not be reimbursed because it would not be a state conviction. **SEN. KITZENBERG** then asked who would reimburse the county for the five-year sentence for stolen freight. **REP. LEE** clarified that this was considered a felony, and the county would be reimbursed for incarceration costs from the day of pronouncement to that of remittance.

SEN. GLENN ROUSH referred to **Mr. Ritter's** assertion that HB 401 did not address trespassing. He pointed to section (5) and maintained that in order to do some of the vandalism, a person had to be trespassing. He wondered if there was a different interpretation. **Mr. Ritter** explained that if you are on the property or crossing the tracks it would be considered a trespassing. This bill is meant to identify people who are on the property actually doing damage, not just their presence. **REP. LEE** added that the language on page 2, lines 2 and 3, eliminates people who are not engaged in unlawful activity. **SEN. ROUSH** wondered if a district court would hear a case under these provisions, and the county then pay the costs. **Mr. Ritter** responded that if the damage was serious, the perpetrator would be taken to jail or arraigned. He felt that these cases would be handled as they have been in the past, and stressed that this bill was designed to make a presentation of prevention.

CHAIRMAN MOHL asked if law enforcement officers have the authority to go onto railroad property to arrest people. **REP. LEE** referred the question to **Pat Keim** who maintained it was not their intent to rely upon the municipal or county authority. The railroad has their own official law enforcement personnel who have the authority to arrest people on railroad property, and they are the principal enforcers in this.

{Tape : 2; Side : B; Approx. Time Counter : 0}

CHAIRMAN MOHL still wondered how this could be enforced if local law enforcement did not have the authority, and **Pat Keim** answered that railroad security did have the power to arrest, being certified under the laws of Montana. He concurred with **Russ Ritter** in that this is meant to educate people so these things do not happen. **Russ Ritter** added that at least in Helena, their security personnel call local law enforcement if a situation arises which they cannot handle; this is done as per agreement. **Chairman Mohl** inquired if this was in writing. **Mr. Ritter** confirmed this, saying it was called "mutual aid". **CHAIRMAN MOHL** then asked if one of our officers got hurt while called upon, would he be covered. **Russ Ritter** did not know but promised to get an answer.

SEN. O'NEIL asked what his position was on this bill, and **REP. JOE BALLYEAT** replied that he opposed this bill on the House floor because there are already statutes addressing these same issues, including heavy fines for disrupting transportation.

Closing by Sponsor:

REP. LEE closed on HB 401.

HEARING ON HB 432

Sponsor: **REP. JOE BALLYEAT, HD 32, BOZEMAN**

Proponents: **SEN. JACK WELLS, SD 14, BOZEMAN**

Opponents: **NONE**

Opening Statement by Sponsor:

REP. JOE BALLYEAT, HD 32, BOZEMAN, opened on HB 432 by referring to a drawing, **EXHIBIT(his57a04)**, illustrating what the bill entails. He told the committee that personal experience precipitated this bill, referring to a merge lane built for

traffic coming off the Interstate at Bozeman. Soon after, it was decided to put in a second right turn lane, along with a stoplight and a sign saying "No right turn on red". He knew the reason for the second lane was the fear traffic would get backed up but with the light being "red" half of the time, this happens anyway; when there was only one lane, turning right was not restricted in this manner. He questioned the wisdom of spending hundreds of thousands of dollars for the merge lane when this gridlock was happening because people are not allowed to turn right on "red", and no one could merge. He went on to say that at a similar interchange at the Belgrade exit, traffic would back up all the way onto Interstate 90 during rush hour, presenting a serious hazard. He thought that cars in the far right lane should be able to proceed through the red light, turning right with proper caution, as they are able to do at most intersections in Montana. He continued to say that HB 432 will make it possible, if there are two turning lanes, for people to turn right on "red" from the far right.

Proponents' Testimony:

SEN. JACK WELLS, SD 14, BOZEMAN, agreed with the sponsor that both of the intersections he talked about were a nuisance and a safety hazard, and said he would carry HB 432 on the Senate floor if it passed.

Informational Testimony:

Gary Gilmore, Administrator, Engineering Division, MDT, explained that there are five such locations, four being interchanges like the ones at Bozeman and Belgrade; one in Helena, and one at Reserve street in Missoula as well as an intersection there. He told the committee that they were designed this way by the engineering department because of safety issues. Vision in the far right lane is blocked by two other lanes of traffic as shown in Exhibit (4). This is compounded by the fact that freeway ramps come in at an angle, necessitating the driver to look back over his shoulder to see if all is clear so he starts to creep out to where he can see. By doing this, he not only blocks the pedestrian walkway; he also puts himself in a position where he can get hit by somebody.

Questions from Committee Members and Responses:

SEN. BOB DEPRATU wondered if the problem could be solved if the stop mark on the pavement for the other lane(s) could be put back a few feet. **Mr. Gilmore** replied that this had been suggested by the sponsor, and he thought in theory, this would be the way to

go, but he was skeptical whether people really stopped at the stop bars.

SEN. VICKI COCCHIARELLA referred to a similar traffic situation here in Helena and wondered if HB 432 addressed this, too. **REP. BALYEAT** felt that this was different because there was an intervening lane of oncoming traffic. He then addressed the concerns by the department, especially the increased danger from having more than one lane to the left. He said that would make every intersection dangerous, even if the middle lane was for people going straight across. He went on to say that these multi-million dollar merging lanes were built to help people in the far right lane turn and merge. He agreed with **SEN. DEPRATU's** idea of the cross-striping; since only the cars in the far right could turn on red if this became law, everyone else would have to wait for the light to turn green, so there would be no problem with visibility.

SEN. KITZENBERG asked what kind of a sign the department would put up to prevent right turns on red from the middle lane, and **Mr. Gilmore** said he did not know; there was no standard signing because there was no precedence. **REP. BALYEAT** suggested "right turn on red" could be written on the pavement in the far right lane; in the middle lane, you could write "no turn on red", or add a small sign to the one disallowing right turns on red, saying "middle lane". **CHAIRMAN MOHL** feared there would be many accidents if current law was changed, and he wondered if the state would lose federal money. **REP. BALYEAT** affirmed there would be no impact on federal funding or violation of federal safety standards. **CHAIRMAN MOHL** redirected his question to **Mr. Gilmore**. **Mr. Gilmore** replied that the department had not addressed this with federal highways but could do so. **CHAIRMAN MOHL** wanted assurance that the department work with the sponsor if this bill was passed so that it would not turn into a death trap. **Mr. Gilmore** gave that assurance, pointing out that even if accidents started to happen, they would be prohibited from putting the restrictive sign back up upon passage of this bill. **VICE CHAIRMAN HOLDEN** stated that the bill could be repealed by the next session if it did not work. He then posed the question how two left turns (like from a one-way street) were allowed but not two right hand turns. **Mr. Gilmore** admitted he was not aware of that.

(NOTE: Tape 3 did not record, minutes drafted from notes.)

Closing by Sponsor:

REP. BALYEAT closed on HB 432, reiterating his previous remarks.

EXECUTIVE ACTION ON HB 131

Motion/Vote: SEN. COCCHIARELLA moved that HB 131 BE CONCURRED IN. Motion carried 9-0. SEN. DEPRATU will carry HB 131 on the floor.

EXECUTIVE ACTION ON HB 432

Motion: SEN. O'NEIL moved that HB 432 BE CONCURRED IN.

Discussion:

SEN. ROUSH wondered if the committee should not wait to take action until they heard from the MDT about the interstate. VICE CHAIRMAN HOLDEN countered that waiting was unnecessary because the federal government would let them know if they had created a bad law, and then it could be repealed. SEN. DAN HARRINGTON asked to wait; he would vote for the bill but not without all the information. SEN. O'NEIL added because it is alright to turn left, we need a law that lets people turn right. CHAIRMAN MOHL maintained that the legislature should not get involved into making laws like this. Engineers should study the issue and make sure the legislature is not creating a liability, and called for a roll call vote.

Vote: Motion failed 4-6 with Berry, DePratu, Holden, and O'Neil voting aye.

Motion/Vote: SEN. HARRINGTON moved that HB 432 BE TABLED. Motion carried 6-3 with DePratu, Holden, and O'Neil voting no.

EXECUTIVE ACTION ON HB 378

Motion/Vote: SEN. ROUSH moved that HB 378 BE CONCURRED IN. Motion carried 9-0. SEN. HARRINGTON agreed to carry the bill on the floor.

EXECUTIVE ACTION ON HB 578

Motion/Vote: SEN. HOLDEN moved that AMENDMENT HB057801.AJM BE ADOPTED. Motion carried 9-0.

Motion: SEN. HOLDEN moved that HB 578 BE CONCURRED IN AS AMENDED.

Discussion:

SEN. O'NEIL stated he opposed HB 578 because it supports big business and sets a bad precedent. **SEN. SAM KITZENBERG** called for the question.

Vote: Motion **carried 7-2 with Cocchiarella and O'Neil voting no.** **VICE CHAIRMAN HOLDEN** will carry the bill on the floor.

EXECUTIVE ACTION ON HB 363

Motion: **SEN. HARRINGTON** moved that **HB 363 BE CONCURRED IN.**

Discussion:

SEN. DEPRATU remarked that this bill will increase the number of records the department has to check. **SEN. ROUSH** was pleased that it did exempt agriculture vehicles. **CHAIRMAN MOHL** voiced concern with the fiscal note. **SEN. DEPRATU** explained that the money in the fiscal note represents the fees charged by the department to do the background checks. **SEN. HARRINGTON** called for the question.

Vote: Motion **carried 9-0.** **SEN. WALTER MCNUTT** had agreed to carry HB 363 on the Senate floor.

ADJOURNMENT

Adjournment: 5:40 P.M.

SEN. ARNIE MOHL, Chairman

MARION MOOD, Secretary

AM/MM

EXHIBIT (his57aad)