

## HOUSE BILL NO. 738

INTRODUCED BY J. COHENOUR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A POOLED MOTOR VEHICLE INSURANCE PLAN TO HELP PAY FOR INSURANCE FOR LOW-INCOME DRIVERS AND THUS DECREASE THE NUMBER OF UNINSURED DRIVERS; PROVIDING FUNDING FOR THE PLAN AND INSURANCE ASSISTANCE; PROVIDING FUNDING FOR CRIME VICTIM SERVICES; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502 AND 61-3-321, MCA; AND PROVIDING EFFECTIVE DATES."

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

**NEW SECTION. Section 1. Pooled motor vehicle liability insurance for low-income persons. (1)**

After consultation with companies authorized to issue motor vehicle liability insurance in this state and any low-income advocacy group that has expressed to the commissioner a desire to be consulted, the commissioner shall design and operate a plan for the equitable apportionment among voluntarily participating companies of persons who wish to obtain motor vehicle liability insurance and whose income for the preceding 12-month period did not exceed 175% of the federal poverty level as determined by the United States bureau of the census.

(2) Insurance provided under this section must include uninsured and underinsured motorist coverage.

(3) A person meeting the requirement of subsection (1) may be insured by the plan provided for in subsection (1). If there are insufficient funds in any year to make payments for every person who applies during that year for payments under this section, payments for persons must be made in the order in which the persons applied for payments during that year. Payments for a person's insurance under the plan may not exceed the lesser of \$200 every 6 months or 75% of the person's premium.

(4) There is an account in the state special revenue fund. Money from the fee imposed by 61-3-321(9) must be deposited in the account. Ninety percent of the money deposited in the account is statutorily appropriated, as provided in 17-7-502, to the commissioner to fund and operate the plan and to make the insurance payments provided for by this section. The other 10% of the money deposited in the account is statutorily appropriated, as provided in 17-7-502, to the office of victims services to be used to reimburse and assist victims as provided in Title 53, chapter 9.

(5) The commissioner shall adopt rules to implement this section.

**Section 2.** Section 17-7-502, MCA, is amended to read:

**"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105; 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-5-306; 23-5-409; 23-5-612; 23-5-631; 23-7-301; 23-7-402; [section 1]; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; 53-6-703; 53-24-206; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December

31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)"

**Section 3.** Section 61-3-321, MCA, is amended to read:

**"61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, and semitrailers, in accordance with this chapter, as follows:

- (a) light vehicles under 2,850 pounds, \$13.75;
- (b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25;
- (c) motor vehicles registered pursuant to 61-3-411 that are:
  - (i) over 2,850 pounds, \$10; and
  - (ii) under 2,850 pounds, \$5;
- (d) off-highway vehicles registered pursuant to 23-2-817, \$9;
- (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of 1 ton, \$18.75;
- (f) logging trucks less than 1 ton, \$23.75;
- (g) motor homes, \$22.25;
- (h) motorcycles and quadricycles, \$9.75;
- (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;
- (j) trailers and semitrailers in excess of 6,000 pounds, other than trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, \$16.25;
- (k) travel trailers, \$11.75; and
- (l) recreational vehicles, \$3.50.

(2) If a motor vehicle, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee.

(3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.

(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(2) are issued.

(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of

America or any state, county, city, or special district, as defined in 18-8-202.

(6) (a) Except as provided in 61-3-562 and subsection (6)(b) of this section, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in 7-14-112.

(b) The following vehicles are not subject to the fee imposed in subsection (6)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.

(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

(8) A person qualifying under 61-3-332(10)(d) is exempt from the fees required under this section.

(9) (a) Except as provided in 61-3-562 and subsection (9)(b) of this section, a fee of \$1 a year must be paid and collected for each registration or reregistration of a vehicle referred to in subsections (1)(a) and (1)(e) through (1)(g). The revenue derived from this fee must be deposited in the account created in [section 1], except that the county treasurer shall first deduct an amount equal to the cost of administering this subsection (9) and deposit the deducted amount in the county treasury.

(b) The following vehicles are not subject to the fee imposed in subsection (9)(a):

(i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and

(ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.

~~(9)(10)~~ Except as otherwise provided in this section, revenue collected under this section must be deposited in the state general fund."

**NEW SECTION. Section 4. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 33, chapter 23, and the provisions of Title 33 apply to [section 1].

**NEW SECTION. Section 5. Effective dates.** (1) [Sections 1(4) and (5), 2, and 3] are effective January

1 1, 2004.

2 (2) [Section 1(1) through (3), 4, and this section] are effective June 1, 2004.

3 - END -