

1 SENATE BILL NO. 47

2 INTRODUCED BY GEBHARDT

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE BID THRESHOLD FOR LOCAL GOVERNMENT
5 CONSTRUCTION CONTRACTS PAID FOR WITH GASOLINE AND VEHICLE FUELS TAX REVENUE;
6 AMENDING SECTION 15-70-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9
10 **Section 1.** Section 15-70-101, MCA, is amended to read:

11 **"15-70-101. Disposition of funds.** (1) All taxes collected under this chapter must, in accordance with
12 the provisions of 15-1-501, be placed in a highway revenue account in the state special revenue fund to the
13 credit of the department of transportation. All interest and income earned on the account must be deposited to
14 the credit of the account and any unexpended balance in the account must remain in the account. Those funds
15 allocated to cities, towns, counties, and consolidated city-county governments in this section must, in accordance
16 with the provisions of 15-1-501, be paid by the department of transportation from the state special revenue fund
17 to the cities, towns, counties, and consolidated city-county governments.

18 (2) The amount of \$16,766,000 of the taxes collected under this chapter is statutorily appropriated, as
19 provided in 17-7-502, to the department of transportation and must be allocated each fiscal year on a monthly
20 basis to the counties, incorporated cities and towns, and consolidated city-county governments in Montana for
21 construction, reconstruction, maintenance, and repair of rural roads and city or town streets and alleys, as
22 provided in subsections (2)(a) through (2)(c):

23 (a) The amount of \$100,000 must be designated for the purposes and functions of the Montana local
24 technical assistance transportation program in Bozeman.

25 (b) The amount of \$6,306,000 must be divided among the various counties in the following manner:

26 (i) 40% in the ratio that the rural road mileage in each county, exclusive of the national highway system
27 and the primary system, bears to the total rural road mileage in the state, exclusive of the national highway
28 system and the primary system;

29 (ii) 40% in the ratio that the rural population in each county outside incorporated cities and towns bears
30 to the total rural population in the state outside incorporated cities and towns;

1 (iii) 20% in the ratio that the land area of each county bears to the total land area of the state.

2 (c) The amount of \$10,360,000 must be divided among the incorporated cities and towns in the
3 following manner:

4 (i) 50% of the sum in the ratio that the population within the corporate limits of the city or town bears
5 to the total population within corporate limits of all the cities and towns in Montana;

6 (ii) 50% in the ratio that the city or town street and alley mileage, exclusive of the national highway
7 system and the primary system, within corporate limits bears to the total street and alley mileage, exclusive of
8 the national highway system and primary system, within the corporate limits of all cities and towns in Montana.

9 (3) (a) For the purpose of allocating the funds in subsections (2)(b) and (2)(c) to a consolidated
10 city-county government, each entity must be considered to have separate city and county boundaries. The city
11 limit boundaries are the last official city limit boundaries for the former city unless revised boundaries based on
12 the location of the urban area have been approved by the department of transportation and must be used to
13 determine city and county populations and road mileages in the following manner:

14 (i) Percentage factors must be calculated to determine separate populations for the city and rural county
15 by using the last official decennial federal census population figures that recognized an incorporated city and
16 the rural county. The factors must be based on the ratio of the city to the rural county population, considering
17 the total population in the county minus the population of any other incorporated city or town in the county.

18 (ii) The city and county populations must be calculated by multiplying the total county population, as
19 determined by the latest official decennial census or the latest interim year population estimates from the
20 Montana department of commerce as supplied by the United States bureau of the census, minus the population
21 of any other incorporated city or town in that county, by the factors established in subsection (3)(a)(i).

22 (b) The amount allocated by this method for the city and the county must be combined, and single
23 monthly payments must be made to the consolidated city-county government.

24 (4) All funds allocated by this section to counties, cities, towns, and consolidated city-county
25 governments must be used for the construction, reconstruction, maintenance, and repair of rural roads or city
26 or town streets and alleys or for the share that the city, town, county, or consolidated city-county government
27 might otherwise expend for proportionate matching of federal funds allocated for the construction of roads or
28 streets that are part of the primary or secondary highway system or urban extensions to those systems. The
29 governing body of a town or third-class city, as defined in 7-1-4111, may each year expend no more than 25%
30 of the funds allocated to that town or third-class city for the purchase of capital equipment and supplies to be

1 used for the maintenance and repair of town or third-class city streets and alleys.

2 (5) All funds allocated by this section to counties, cities, towns, and consolidated city-county
3 governments must be disbursed to the lowest responsible bidder according to applicable bidding procedures
4 ~~followed in all cases in which the contract~~ FOLLOWED IN ALL CASES IN WHICH THE CONTRACT for construction,
5 reconstruction, maintenance, or repair ~~is in excess of \$4,000~~ IS IN EXCESS OF \$25,000 \$8,000 \$25,000.

6 (6) For the purposes of this section in which distribution of funds is made on a basis related to
7 population, the population must be determined annually for counties and biennially for cities according to the
8 latest official decennial census or the latest interim year population estimates from the Montana department of
9 commerce as supplied by the United States bureau of the census.

10 (7) For the purposes of this section in which determination of mileage is necessary for distribution of
11 funds, it is the responsibility of the cities, towns, counties, and consolidated city-county governments to furnish
12 to the department of transportation a yearly certified statement indicating the total mileage within their respective
13 areas applicable to this chapter. All mileage submitted is subject to review and approval by the department of
14 transportation.

15 (8) Except by a town or third-class city as provided in subsection (4), the funds authorized by this section
16 may not be used for the purchase of capital equipment.

17 (9) Funds authorized by this section must be used for construction and maintenance programs."
18

19 NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

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