

1 HOUSE BILL NO. 35  
 2 INTRODUCED BY JENT  
 3 BY REQUEST OF THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE  
 4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AN INCREASE IN THE BASE SALARY FOR THE  
 6 NUMBER OF HIGHWAY PATROL OFFICER POSITIONS EXISTING ON JUNE 30, 2006; PROVIDING FOR  
 7 BIENNIAL SALARY INCREASES AFTER THAT DATE; PROVIDING FOR AN INCREASE IN THE BASE  
 8 SALARY FOR NEW HIGHWAY PATROL OFFICER POSITIONS CREATED AFTER THAT DATE; ~~PROVIDING~~  
 9 ~~A FUNDING MECHANISM FOR THE INCREASES BY RAISING CERTAIN REGISTRATION FEES; PROVIDING~~  
 10 A FUNDING MECHANISM FOR THE INCREASES BY RAISING CERTAIN VEHICLE REGISTRATION FEES;  
 11 EXEMPTING THE HIGHWAY PATROL FROM VACANCY SAVINGS; PROVIDING ~~FOR A STATUTORY AN~~  
 12 FOR A STATUTORY APPROPRIATION; AMENDING ~~SECTIONS SECTION SECTIONS~~ 2-18-303 AND,  
 13 ~~17-7-502, 23-2-512, 23-2-616, 23-2-803, AND 61-3-321, 17-7-502, AND 61-3-321,~~ MCA; AND PROVIDING  
 14 EFFECTIVE DATES ~~AND AN APPLICABILITY DATE.~~"

15  
 16 WHEREAS, it is in the best interests of the citizens of Montana to travel safely on the streets and  
 17 highways of Montana; and

18 WHEREAS, the Legislature created the Montana Highway Patrol to protect and serve the people of  
 19 Montana and to ensure their safety when traveling on Montana's roadways; and

20 WHEREAS, the population of the State of Montana has increased by 223,412 persons (by 32%) in the  
 21 past 30 years; and

22 WHEREAS, the total number of vehicles registered in the State of Montana has increased from 668,717  
 23 to 1,059,565 (by 53%) in the past 30 years; and

24 WHEREAS, economic loss to the citizens of the State of Montana associated with motor vehicle crashes  
 25 increased from \$106.6 million in 1973 to \$780 million in 2003 (by 732%); and

26 WHEREAS, the Montana Highway Patrol had 220 uniformed officers 30 years ago and has only 206  
 27 today, despite an increase of 5 billion highway miles a year driven over that same period and despite being given  
 28 additional statutory law enforcement obligations; and

29 WHEREAS, the standing House and Senate State Administration Committees of the 58th Legislature,  
 30 recognizing the unique nature of law enforcement services and the importance of retaining qualified law

1 enforcement personnel, directed the Attorney General to report to the State Administration and Veterans' Affairs  
2 Interim Committee on recruitment and retention efforts, to conduct a salary survey, and to develop draft  
3 legislation to implement recommendations; and

4 WHEREAS, in addition to the salary survey conducted by the Attorney General, the Montana Legislative  
5 Audit Division conducted a separate salary survey of the Sheriff departments in the eight counties where the  
6 Montana Highway Patrol district offices are located, including the headquarters in Helena; and

7 WHEREAS, an entry-level officer for the Montana Highway Patrol is paid \$4.50 an hour (\$9,360 a year)  
8 less than the average entry-level officer in those eight county Sheriff's departments; and

9 WHEREAS, the Montana Highway Patrol continues to lose officers to other law enforcement agencies  
10 after absorbing the cost of training those officers, which places additional hardships on the patrol; and

11 WHEREAS, in the past 11 years, 62 of the 80 officers (78%) that left the Montana Highway Patrol for  
12 nonretirement purposes went to other law enforcement agencies for higher salaries; and

13 WHEREAS, Montana Highway Patrol officer positions have been placed into the alternative pay and  
14 classification plan, which allows market-based salary survey adjustments, to recruit and retain officers; and

15 WHEREAS, market-based salary information from county Sheriff departments, which are recruiting and  
16 hiring Montana Highway Patrol officers because of higher salaries, is readily available to establish market-based  
17 salary rates to compensate Montana Highway Patrol officers and reduce attrition in these positions; and

18 WHEREAS, this act is intended to allow the Montana Highway Patrol to be in a position to hire, train,  
19 and retain competent officers to ensure that Montana roadways are kept safe for all travelers.

20

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

22

23 **Section 1.** Section 2-18-303, MCA, is amended to read:

24 **"2-18-303. Procedures for using pay schedules.** (1) The pay schedule provided in 2-18-312 must  
25 be implemented as follows:

26 (a) The pay schedule provided in 2-18-312 indicates the entry salary and market salary for each grade  
27 for positions classified under the provisions of part 2 of this chapter.

28 (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as  
29 provided in subsections (6) through ~~(9)~~ (10).

30 ~~(c) On the first day of the first complete pay period in fiscal year 2004, each employee is entitled to the~~

1 ~~amount of the employee's base salary as it was on June 30, 2003.~~

2 ~~(d)(c)~~ Effective on the first day of the first complete pay period that includes January 1, 2005, the base  
3 salary of each employee must be increased by an amount equal to 25 cents an hour or by a lesser amount so  
4 that the employee's base salary after the increase does not exceed the maximum salary of the pay grade as  
5 provided in subsection ~~(1)(f)~~ (1)(e).

6 ~~(e)(d)~~ An employee's base salary may be no less than the entry salary for the employee's assigned  
7 grade.

8 ~~(f)(e)~~ The maximum salary for each grade is determined by subtracting the entry salary from the market  
9 salary and adding that amount to the market salary.

10 (2) The pay schedule provided in 2-18-312 and the provisions of subsection (1) of this section do not  
11 apply to those teachers or blue-collar occupations compensated under the pay schedules provided in 2-18-313  
12 and 2-18-315.

13 (3) The pay schedules provided in 2-18-313 and 2-18-315 must be implemented as follows:

14 (a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers  
15 employed under the authority of the department of corrections or the department of public health and human  
16 services for fiscal ~~years 2004 and year~~ year 2005.

17 ~~(ii) The compensation of each teacher on July 1, 2003, is the same as it was on June 30, 2003.~~

18 ~~(iii)(ii)~~ Effective on the first day of the first complete pay period that includes January 1, 2005, the base  
19 salary of each teacher employed in the department of public health and human services and the department of  
20 corrections is the amount provided for the teacher's step and education level under 2-18-313(2). This subsection  
21 ~~(3)(a)(iii)~~ (3)(a)(ii) does not provide for a step advancement.

22 (b) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for the fiscal  
23 ~~years year~~ year ending ~~June 30, 2004, and~~ June 30, 2005, for employees in apprentice trades and crafts and other  
24 blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have  
25 collectively bargained separate classification and pay plans.

26 (c) The compensation of each employee on the first day of the first pay period in each fiscal year is that  
27 amount corresponding to the grade occupied on the last day of the preceding fiscal year.

28 (4) (a) (i) If the legislature authorizes a pay increase for state employees, a member of a bargaining unit  
29 may not receive a pay increase until the employer's collective bargaining representative receives written notice  
30 that the employee's bargaining unit has ratified a completely integrated collective bargaining agreement.

1 (ii) If ratification of a completely integrated collective bargaining agreement, as required by subsection  
2 (4)(a)(i), is not completed by the date on which a legislatively authorized pay increase is implemented,  
3 retroactivity to that date may be negotiated.

4 (iii) If ratification of a completely integrated collective bargaining agreement, as required by subsection  
5 (4)(a)(i), is not completed by the date on which a legislatively authorized pay increase is implemented, members  
6 of the bargaining unit must continue to receive the compensation that they were receiving until an agreement  
7 is ratified.

8 (b) Methods of administration not inconsistent with the purpose of this part and necessary to properly  
9 implement the pay schedules and adjustments provided in 2-18-312, 2-18-313, 2-18-315, and this section may  
10 be provided for in collective bargaining agreements.

11 (5) The current wage or salary of an employee may not be reduced by the implementation of the pay  
12 schedules provided for in 2-18-312, 2-18-313, and 2-18-315.

13 (6) The department may authorize a separate pay schedule for classes of medical professionals if the  
14 rates provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified professionals.

15 (7) (a) The department may develop and implement an alternative pay and classification plan for certain  
16 classes, occupations, and work units. Pay for employees in the alternative pay and classification plan may be  
17 established and changed based on demonstrated competencies and accomplishments, on the labor market, and  
18 on other situations defined by the department.

19 (b) To the extent that the plan applies to employees within a collective bargaining unit, the  
20 implementation of the plan is a negotiable subject under 39-31-305.

21 (8) The department may develop programs that enable the department to mitigate problems associated  
22 with difficult recruitment, retention, transfer, or other exceptional circumstances. To the extent that the program  
23 applies to employees within a collective bargaining unit, it is a negotiable subject under 39-31-305.

24 (9) The department shall review the competitiveness of the compensation provided to all occupations  
25 under this part. If the department finds that substantial problems exist with recruitment and retention because  
26 of inadequate salaries when compared to competing employers, the department may establish criteria allowing  
27 an adjustment in pay or classification to mitigate the problems. To the extent that these adjustments apply to  
28 employees within a collective bargaining unit, the implementation of these adjustments is a negotiable subject  
29 under 39-31-305.

30 (10) (a) Montana highway patrol officer base salaries and biennial salary increases must be established

1 through an alternative pay and classification plan. Before January 1 of each odd-numbered year, the department  
 2 shall, after seeking the advice of the Montana highway patrol, conduct a salary survey to be used in establishing  
 3 the base salary and any biennial salary increase for existing and entry-level highway patrol officer positions. The  
 4 county sheriff departments in the following consolidated governments and counties are the labor market for  
 5 purposes of the survey: Butte-Silver Bow, Cascade, Yellowstone, Missoula, Lewis and Clark, Gallatin, Flathead,  
 6 and Dawson. The base salary and biennial salary increases for existing and entry-level highway patrol officer  
 7 positions must then be determined by the department of justice, using the results of the salary survey and the  
 8 department of justice pay plan guidelines. Base or biennial salary increases under this subsection are exclusive  
 9 of and not in addition to any increases otherwise awarded to other state employees after July 1, 2006.

10 (b) To the extent that the plan applies to employees within a collective bargaining unit, the  
 11 implementation of the plan is a negotiable subject under 39-31-305.

12 (c) The salary survey must be submitted to the office of budget and program planning as a part of the  
 13 information required by 17-7-111.

14 (d) The survey and plan for the fiscal year beginning July 1, 2007, must be completed by January 1,  
 15 2006.

16 (D) (I) EXCEPT AS PROVIDED IN SUBSECTION (10)(D)(II), THE SURVEY AND PLAN MUST BE COMPLETED AT LEAST  
 17 6 MONTHS BEFORE THE START OF EACH REGULAR LEGISLATIVE SESSION.

18 (II) THE FIRST SURVEY MUST BE COMPLETED BY JANUARY 1, 2006, FOR THE PLAN TO BE IMPLEMENTED FOR THE  
 19 FIRST FULL PAY PERIOD IN FISCAL YEAR 2007."

20  
 21 ~~Section 2. Section 17-7-502, MCA, is amended to read:~~

22 ~~"17-7-502. Statutory appropriations -- definition -- requisites for validity. (1) A statutory~~  
 23 ~~appropriation is an appropriation made by permanent law that authorizes spending by a state agency without~~  
 24 ~~the need for a biennial legislative appropriation or budget amendment.~~

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

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

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

30 ~~(3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105;~~

1 ~~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;~~  
 2 ~~15-35-108; 15-36-332; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-11-404; 17-3-106; 17-3-212; 17-3-222;~~  
 3 ~~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;~~  
 4 ~~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;~~  
 5 ~~23-5-631; 23-7-301; 23-7-402; [section 3 7]; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102;~~  
 6 ~~50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214;~~  
 7 ~~75-11-313; 77-2-362; 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~~  
 8 ~~90-9-306.~~

9 ~~———— (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,~~  
 10 ~~paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued~~  
 11 ~~pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana~~  
 12 ~~to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state~~  
 13 ~~treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory~~  
 14 ~~appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of~~  
 15 ~~15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360,~~  
 16 ~~L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's~~  
 17 ~~unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates~~  
 18 ~~July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 2 and 5, Ch. 481, L. 2003, the inclusion~~  
 19 ~~of 90-6-710 terminates June 30, 2005; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch.~~  
 20 ~~481, L. 2003, the inclusion of 15-35-108 terminates June 30, 2010; and pursuant to sec. 135, Ch. 114, L. 2003,~~  
 21 ~~the inclusion of 2-15-151 terminates June 30, 2005.)"~~

22  
 23 ~~———— **SECTION 3.** SECTION 23-2-512, MCA, IS AMENDED TO READ:~~  
 24 ~~———— "**23-2-512. Identifying number.** (1) The owner of each motorboat, sailboat, or personal watercraft~~  
 25 ~~requiring numbering by this state shall file an application for number in the office of the county treasurer in the~~  
 26 ~~county where the motorboat, sailboat, or personal watercraft is owned, on forms prepared and furnished by the~~  
 27 ~~department of justice. The application must be signed by the owner of the motorboat, sailboat, or personal~~  
 28 ~~watercraft and be accompanied by a fee of \$3.50 in calendar year 2004 and, in each subsequent year, \$15.50~~  
 29 ~~\$20.50. Any alteration, change, or false statement contained in the application renders the certificate of number~~  
 30 ~~void. Upon receipt of the application in approved form, the county treasurer shall issue to the applicant a~~

1 ~~certificate of number prepared and furnished by the department of justice, stating the number assigned to the~~  
2 ~~motorboat, sailboat, or personal watercraft and the name and address of the owner.~~

3 ~~———(2) The applicant, upon the filing of the application, shall pay to the county treasurer the fee in lieu of~~  
4 ~~tax required under 23-2-517 for a motorboat 10 feet in length or longer, a sailboat 12 feet in length or longer,~~  
5 ~~or a personal watercraft before the application for certification or, if applicable, recertification may be accepted~~  
6 ~~by the county treasurer.~~

7 ~~———(3) If the ownership of a motorboat, sailboat, or personal watercraft changes, a new application form~~  
8 ~~with the certification fee must be filed within a reasonable time with the county treasurer and a new certificate~~  
9 ~~of number assigned in the same manner as provided for in an original assignment of number.~~

10 ~~———(4) If an agency of the United States government has in force a comprehensive system of identification~~  
11 ~~numbering for motorboats in the United States, the numbering system employed pursuant to this part by the~~  
12 ~~department of justice must be in conformity.~~

13 ~~———(5) A certificate of number and a registration decal issued under this part are effective unless terminated~~  
14 ~~or discontinued in accordance with the provisions of this part.~~

15 ~~———(6) If ownership is transferred, the purchaser shall notify the county treasurer within a reasonable time~~  
16 ~~of the acquisition of all or any part of the purchaser's interest, other than the creation of a security interest, in a~~  
17 ~~motorboat, sailboat, or personal watercraft numbered in this state or of the loss, theft, destruction, or~~  
18 ~~abandonment of the motorboat, sailboat, or personal watercraft. The transfer, loss, theft, destruction, or~~  
19 ~~abandonment terminates the certificate of number for the motorboat, sailboat, or personal watercraft. Recovery~~  
20 ~~from theft or transfer of a part interest that does not affect the owner's right to operate the motorboat, sailboat,~~  
21 ~~or personal watercraft does not terminate the certificate of number.~~

22 ~~———(7) A holder of a certificate of number shall notify the county treasurer within a reasonable time if the~~  
23 ~~holder's address no longer conforms to the address appearing on the certificate and shall furnish the county~~  
24 ~~treasurer with the new address. The department of justice may provide by rule for the surrender of the certificate~~  
25 ~~bearing the former address and its replacement with a certificate bearing the new address or the alteration of~~  
26 ~~an outstanding certificate to show the new address of the holder.~~

27 ~~———(8) (a) The number assigned must be painted on or attached to each outboard side of the forward half~~  
28 ~~of the motorboat, sailboat, or personal watercraft or, if there are no sides, at a corresponding location on both~~  
29 ~~outboard sides of the foredeck of the motorboat, sailboat, or personal watercraft. The number assigned must~~  
30 ~~read from left to right in Arabic numerals and block characters of good proportion at least 3 inches tall excluding~~

1 border or trim of a color that contrasts with the color of the background and be so maintained as to be clearly  
 2 visible and legible. The number may not be placed on the obscured underside of the flared bow where it cannot  
 3 be easily seen from another vessel or ashore. Numerals, letters, or devices other than those used in connection  
 4 with the identifying number issued may not be placed in the proximity of the identifying number. Numerals,  
 5 letters, or devices that might interfere with the ready identification of the motorboat, sailboat, or personal  
 6 watercraft by its identifying number may not be carried in a manner that interferes with the motorboat's,  
 7 sailboat's, or personal watercraft's identification. A number other than the number assigned to a motorboat,  
 8 sailboat, or personal watercraft or granted reciprocity under this part may not be painted, attached, or otherwise  
 9 displayed on either side of the forward half of the motorboat, sailboat, or personal watercraft. A registration decal  
 10 issued under this part must be placed next to the identifying number located on the left side of a motorboat,  
 11 sailboat, or personal watercraft or, if there are no sides, at the corresponding location on the left outboard side  
 12 of the foredeck of the motorboat, sailboat, or personal watercraft.

13 ~~————(b) The certificate of number must be pocket size and available to federal, state, or local law~~  
 14 ~~enforcement officers at all reasonable times for inspection on the motorboat, sailboat, or personal watercraft~~  
 15 ~~whenever the motorboat, sailboat, or personal watercraft is on waters of this state.~~

16 ~~————(c) Boat liveries are not required to have the certificate of number on board each motorboat, sailboat,~~  
 17 ~~or personal watercraft, but a rental agreement must be carried on board livery motorboats, sailboats, or personal~~  
 18 ~~watercraft in place of the certificate of number.~~

19 ~~————(9) Fees, other than the fee in lieu of tax, collected under this section must be transmitted to the~~  
 20 ~~department of revenue, as provided in 15-1-504, for deposit. The department of revenue shall deposit \$5 of the~~  
 21 ~~fee collected under subsection (1) in the account established in [section 7] and the remainder in the state general~~  
 22 ~~fund.~~

23 ~~————(10) An owner of a motorboat, sailboat, or personal watercraft shall within a reasonable time notify the~~  
 24 ~~department of justice, giving the motorboat's, sailboat's, or personal watercraft's identifying number and the~~  
 25 ~~owner's name if the motorboat, sailboat, or personal watercraft is transferred, lost, destroyed, or abandoned or~~  
 26 ~~within 60 days after a change of the state of principal use or if a motorboat becomes documented as a vessel~~  
 27 ~~of the United States."~~

28  
 29 ~~————**SECTION 4. SECTION 23-2-616, MCA, IS AMENDED TO READ:**~~  
 30 ~~————**"23-2-616. Registration and registration decal -- application and issuance -- use of certain fees.**~~

1 ~~(1) Except for a snowmobile registered under 23-2-621, a snowmobile may not be operated on public lands by~~  
2 ~~any person unless it has been registered and a registration decal is displayed in a conspicuous place on the left~~  
3 ~~side of the cowl.~~

4 ~~————(2) (a) A Montana resident who owns a snowmobile operated on public land shall register the~~  
5 ~~snowmobile at the county treasurer's office in the county where the owner resides.~~

6 ~~————(b) A county treasurer shall register a snowmobile if:~~

7 ~~————(i) as of the date that the snowmobile is to be registered, the owner delivers or has delivered an~~  
8 ~~application for a certificate of title to the department, its authorized agent, or a county treasurer; or~~

9 ~~————(ii) the county treasurer has confirmed that the department of justice has an electronic record of title for~~  
10 ~~the snowmobile as provided in 61-3-101.~~

11 ~~————(c) To register a snowmobile, the county treasurer shall update the electronic record of title maintained~~  
12 ~~by the department of justice, by entering the fees paid and recording any changes to the record.~~

13 ~~————(3) The owner registering a snowmobile shall pay a registration fee of \$6.50 in calendar year 2004 and,~~  
14 ~~in each subsequent year, \$20.50 \$25.50 and, if the snowmobile has previously been registered, show the county~~  
15 ~~treasurer the registration receipt for the most recent year in which the snowmobile was registered. Upon payment~~  
16 ~~of the proper fees, including the fee in lieu of tax, the treasurer shall issue a registration receipt that contains~~  
17 ~~information considered necessary by the department of justice and a listing of fees paid. The owner shall retain~~  
18 ~~possession of the registration receipt until it is surrendered to the county treasurer or to a purchaser or~~  
19 ~~subsequent owner pursuant to a transfer of ownership.~~

20 ~~————(4) The county treasurer shall forward the application to the department of justice and shall issue to the~~  
21 ~~applicant a registration decal in the style and design prescribed by the department of justice.~~

22 ~~————(5) The county treasurer may not register a snowmobile under this section unless the applicant has paid~~  
23 ~~the registration fee and the fee in lieu of property tax on the snowmobile as required by 15-16-202.~~

24 ~~————(6) All money collected from payment of registration fees and all interest accruing from use of this~~  
25 ~~money must be forwarded to the department of revenue, as provided in 15-1-504, for deposit. The department~~  
26 ~~of revenue shall deposit \$5 of the fee in the account established in [section 7] and the remainder in the state~~  
27 ~~general fund.~~

28 ~~————(7) The county treasurer shall credit all fees in lieu of tax collected on snowmobiles to the state general~~  
29 ~~fund.~~

30 ~~————(8) The fee imposed in subsection (3) is a one-time fee except on change of ownership. When~~

1 ownership of the snowmobile changes, the new owner shall pay the fee in subsection (3)."

2

3 ~~SECTION 5. SECTION 23-2-803, MCA, IS AMENDED TO READ:~~

4 ~~"23-2-803. One-time fee in lieu of tax on off-highway vehicles -- exception -- disposition of fees.~~

5 (1) Except as provided in subsection (2), there is a one-time fee in lieu of tax on off-highway vehicles, other than  
6 off-highway vehicles constituting the inventory of a dealership licensed under 23-2-818, to be paid to the county  
7 treasurer of the county in which the owner of the off-highway vehicle resides. The one-time fee for an  
8 off-highway vehicle is \$20 in calendar year 2004 and, in each subsequent year, \$40 \$45.

9 ~~(2) Whenever a transfer of ownership of an off-highway vehicle occurs, the one-time fee required under~~  
10 ~~subsection (1) must be paid by the new owner.~~

11 ~~(3) The county treasurer shall transfer all fees in lieu of tax collected on off-highway vehicles pursuant~~  
12 ~~to this section to the department of revenue. The department of revenue shall deposit \$5 of the fee in the~~  
13 ~~account established in [section 7] and the remainder in the state general fund."~~

14

15 ~~SECTION 6. SECTION 61-3-321, MCA, IS AMENDED TO READ:~~

16 ~~"61-3-321. Registration fees of vehicles -- certain vehicles exempt from registration fees --~~

17 ~~disposition of fees. (1) Except as otherwise provided in this section, registration fees must be paid upon~~  
18 ~~registration or, if applicable, reregistration of motor vehicles, trailers, and semitrailers, in accordance with this~~  
19 ~~chapter, as follows:~~

20 ~~(a) light vehicles under 2,850 pounds, \$13.75 in calendar year 2004 and, in each subsequent year, \$17;~~

21 ~~(b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25. For a trailer or~~  
22 ~~semitrailer described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer~~  
23 ~~or semitrailer.~~

24 ~~(c) motor vehicles registered pursuant to 61-3-411 that are:~~

25 ~~(i) 2,850 pounds and over, \$10; and~~

26 ~~(ii) under 2,850 pounds, \$5;~~

27 ~~(d) off-highway vehicles registered pursuant to 23-2-817, \$9 in calendar year 2004 and, in each~~  
28 ~~subsequent year, \$19.25. This fee is a one-time fee, except upon transfer of ownership of an off-highway~~  
29 ~~vehicle.~~

30 ~~(e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of~~

- 1 1 ton, ~~\$18.75 in calendar year 2004 and, in each subsequent year, \$22;~~  
2 ~~—— (f) logging trucks less than 1 ton, \$23.75;~~  
3 ~~—— (g) motor homes, \$22.25;~~  
4 ~~—— (h) motorcycles and quadricycles, \$9.75 for a motorcycle or quadricycle with special license plates~~  
5 ~~issued under 61-3-415 and, for a motorcycle or quadricycle under one-time registration, \$9.75 in calendar year~~  
6 ~~2004 and, in each subsequent year, \$11.25. This fee is a one-time fee, except upon transfer of ownership of a~~  
7 ~~motorcycle or quadricycle.~~  
8 ~~—— (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25. For a trailer or semitrailer~~  
9 ~~described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer or semitrailer.~~  
10 ~~—— (j) trailers and semitrailers in excess of 6,000 pounds, other than trailers and semitrailers registered in~~  
11 ~~other jurisdictions and registered through a proportional registration agreement, \$16.25. For a trailer or~~  
12 ~~semitrailer described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer~~  
13 ~~or semitrailer.~~  
14 ~~—— (k) travel trailers, \$11.75. This fee is a one-time fee, except upon transfer of ownership of a travel trailer.~~  
15 ~~—— (l) recreational vehicles, \$3.50 in calendar year 2004 and, in each subsequent year, \$9.75. If the~~  
16 ~~recreational vehicle is a travel trailer, this fee is a one-time fee, except upon transfer of ownership of a travel~~  
17 ~~trailer.~~  
18 ~~—— (2) (a) Except as provided in subsection (2)(b), if a motor vehicle, trailer, or semitrailer is originally~~  
19 ~~registered 6 months after the time of registration as set by law, the registration fee for the remainder of the year~~  
20 ~~is one-half of the regular fee.~~  
21 ~~—— (b) For a trailer or semitrailer described in 61-3-530(1), the applicable fees must be paid regardless of~~  
22 ~~when the fees were last paid or if the fees were paid at all.~~  
23 ~~—— (3) An additional fee of \$5 for a motorcycle or quadricycle with special license plates issued under~~  
24 ~~61-3-415 and, for a motorcycle or quadricycle under one-time registration, \$5 in calendar year 2004 and, in each~~  
25 ~~subsequent year, \$16 must be collected for the registration of each motorcycle as a safety fee and must be~~  
26 ~~deposited in the state motorcycle safety account provided for in 20-25-1002.~~  
27 ~~—— (4) A fee of \$5 for each set of new number plates must be collected when number plates provided for~~  
28 ~~under 61-3-332(2) are issued.~~  
29 ~~—— (5) The provisions of this part with respect to the payment of registration fees do not apply to and are~~  
30 ~~not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of~~

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

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

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

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

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

11 ~~———(7) (a) Except as provided in 61-3-562 and subsection (7)(b) of this section, a fee of 50 cents a year for~~  
12 ~~each registration of a vehicle must be collected when a vehicle is registered or reregistered. The county~~  
13 ~~treasurer shall forward revenue derived from this fee to the state for deposit in the general fund.~~

14 ~~———(b) The following vehicles are not subject to the fee:~~

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

17 ~~———(ii) off-highway vehicles registered pursuant to 23-2-817; and~~

18 ~~———(iii) vehicles bearing license plates described in 61-3-458(3)(d).~~

19 ~~———(8) The provisions of this section relating to the payment of registration fees or new number plate fees~~  
20 ~~do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or~~  
21 ~~61-3-335.~~

22 ~~———(9) A person eligible for a waiver under 61-3-460 is exempt from the fees required under this section.~~

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

25 ~~———(11) (a) Unless a person exercises the option in subsection (11)(b), an additional fee of \$4 must be~~  
26 ~~collected for each light vehicle or truck under 8,001 pounds GVW registered for licensing pursuant to this part.~~  
27 ~~The fee must be deposited in the state general fund to be used for state parks, for fishing access sites, and for~~  
28 ~~the operation of state-owned facilities as provided in 15-1-122(3)(c)(vii).~~

29 ~~———(b) A person who registers a light vehicle or truck under 8,001 pounds GVW may, at the time of annual~~  
30 ~~registration, certify that the person does not intend to use state parks and fishing access sites and may make~~

1 a written election not to pay the additional \$4 fee provided for in subsection (11)(a). If a written election is made,  
2 the fee may not be collected.

3 ~~———— (12) For each vehicle subject to a registration fee under subsection (1), an additional fee of \$5 must be~~  
4 ~~collected and forwarded to the department of revenue. The department of revenue shall deposit the \$5 in the~~  
5 ~~account established in [section 7]."~~

6

7 ~~———— NEW SECTION. Section 7. Motor vehicle insurance policy fee SPECIAL REVENUE ACCOUNT to~~  
8 ~~partially fund highway patrol officers' salaries -- special revenue account. (1) Upon issuing or renewing a~~  
9 ~~motor vehicle policy covering one or more motor vehicles licensed in this state, the insurer shall pay to the~~  
10 ~~department of justice a fee of \$10 a year for each motor vehicle covered by the policy. The insurer shall pay the~~  
11 ~~fees to the department of justice on a monthly basis within 15 days after the end of each month, along with a~~  
12 ~~report listing the total number of motor vehicles covered in policies issued or renewed in the reported month.~~

13 ~~———— (2) There is an account in the state special revenue fund provided for in 17-2-102. The department of~~  
14 ~~justice shall deposit in the account the fees paid to the department under subsection (1). The money in the~~  
15 ~~account is statutorily appropriated, as provided in 17-7-502, to the department of justice to fund:~~

16 ~~———— (a) (1) an increase in the base salary for the number of highway patrol officer positions existing on June~~  
17 ~~30, 2006;~~

18 ~~———— (b) (2) the base salary and associated operating costs for new highway patrol officer positions created~~  
19 ~~after June 30, 2006; and~~

20 ~~———— (c) (3) biennial salary increases after June 30, 2006, for highway patrol officers.~~

21

22 **SECTION 2. SECTION 17-7-502, MCA, IS AMENDED TO READ:**

23 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
24 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without  
25 the need for a biennial legislative appropriation or budget amendment.

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

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

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

1 (3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105;  
 2 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;  
 3 15-35-108; 15-36-332; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-11-404; 17-3-106; 17-3-212; 17-3-222;  
 4 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;  
 5 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;  
 6 23-5-631; 23-7-301; 23-7-402; [section 4]; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102;  
 7 50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214;  
 8 75-11-313; 77-2-362; 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  
 9 90-9-306.

10 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
 11 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
 12 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana  
 13 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state  
 14 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory  
 15 appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of  
 16 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360,  
 17 L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's  
 18 unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates  
 19 July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 2 and 5, Ch. 481, L. 2003, the inclusion  
 20 of 90-6-710 terminates June 30, 2005; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch.  
 21 481, L. 2003, the inclusion of 15-35-108 terminates June 30, 2010; and pursuant to sec. 135, Ch. 114, L. 2003,  
 22 the inclusion of 2-15-151 terminates June 30, 2005.)"

23

24 **SECTION 3. SECTION 61-3-321, MCA, IS AMENDED TO READ:**

25 **"61-3-321. Registration fees of vehicles -- certain vehicles exempt from registration fees --**  
 26 **disposition of fees.** (1) Except as otherwise provided in this section, registration fees must be paid upon  
 27 registration or, if applicable, reregistration of motor vehicles, trailers, and semitrailers, in accordance with this  
 28 chapter, as follows:

29 (a) light vehicles under 2,850 pounds, \$13.75 in calendar year 2004 and, in each subsequent year, \$17;

30 (b) trailers with a declared weight of less than 2,500 pounds and semitrailers, \$8.25. For a trailer or

1 semitrailer described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer  
2 or semitrailer.

3 (c) motor vehicles registered pursuant to 61-3-411 that are:

4 (i) 2,850 pounds and over, \$10; and

5 (ii) under 2,850 pounds, \$5;

6 (d) off-highway vehicles registered pursuant to 23-2-817, \$9 in calendar year 2004 and, in each  
7 subsequent year, \$19.25. This fee is a one-time fee, except upon transfer of ownership of an off-highway  
8 vehicle.

9 (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess of  
10 1 ton, \$18.75 in calendar year 2004 and, in each subsequent year, \$22;

11 (f) logging trucks less than 1 ton, \$23.75;

12 (g) motor homes, \$22.25;

13 (h) motorcycles and quadricycles, \$9.75 for a motorcycle or quadricycle with special license plates  
14 issued under 61-3-415 and, for a motorcycle or quadricycle under one-time registration, \$9.75 in calendar year  
15 2004 and, in each subsequent year, \$11.25. This fee is a one-time fee, except upon transfer of ownership of a  
16 motorcycle or quadricycle.

17 (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25. For a trailer or semitrailer  
18 described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer or semitrailer.

19 (j) trailers and semitrailers in excess of 6,000 pounds, other than trailers and semitrailers registered in  
20 other jurisdictions and registered through a proportional registration agreement, \$16.25. For a trailer or  
21 semitrailer described in 61-3-530(1), this fee is a one-time fee, except upon transfer of ownership of the trailer  
22 or semitrailer.

23 (k) travel trailers, \$11.75. This fee is a one-time fee, except upon transfer of ownership of a travel trailer.

24 (l) recreational vehicles, \$3.50 in calendar year 2004 and, in each subsequent year, \$9.75. If the  
25 recreational vehicle is a travel trailer, this fee is a one-time fee, except upon transfer of ownership of a travel  
26 trailer.

27 (2) (a) Except as provided in subsection (2)(b), if a motor vehicle, trailer, or semitrailer is originally  
28 registered 6 months after the time of registration as set by law, the registration fee for the remainder of the year  
29 is one-half of the regular fee.

30 (b) For a trailer or semitrailer described in 61-3-530(1), the applicable fees must be paid regardless of

1 when the fees were last paid or if the fees were paid at all.

2 (3) An additional fee of \$5 for a motorcycle or quadricycle with special license plates issued under  
3 61-3-415 and, for a motorcycle or quadricycle under one-time registration, \$5 in calendar year 2004 and, in each  
4 subsequent year, \$16 must be collected for the registration of each motorcycle as a safety fee and must be  
5 deposited in the state motorcycle safety account provided for in 20-25-1002.

6 (4) A fee of \$5 for each set of new number plates must be collected when number plates provided for  
7 under 61-3-332(2) are issued.

8 (5) The provisions of this part with respect to the payment of registration fees do not apply to and are  
9 not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of  
10 America or any state, county, city, or special district, as defined in 18-8-202.

11 (6) (a) Except as provided in 61-3-562 and subsection (6)(b) of this section, a fee of 25 cents a year for  
12 each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue  
13 derived from this fee must be forwarded by the county treasurer for deposit in the state general fund for transfer  
14 to the credit of the senior citizens and persons with disabilities transportation services account provided for in  
15 7-14-112.

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

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

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

20 (7) (a) Except as provided in 61-3-562 and subsection (7)(b) of this section, a fee of 50 cents a year for  
21 each registration of a vehicle must be collected when a vehicle is registered or reregistered. The county  
22 treasurer shall forward revenue derived from this fee to the state for deposit in the general fund.

23 (b) The following vehicles are not subject to the fee:

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

26 (ii) off-highway vehicles registered pursuant to 23-2-817; and

27 (iii) vehicles bearing license plates described in 61-3-458(3)(d).

28 (8) The provisions of this section relating to the payment of registration fees or new number plate fees  
29 do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or  
30 61-3-335.

1 (9) A person eligible for a waiver under 61-3-460 is exempt from the fees required under this section.

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

4 (11) (a) Unless a person exercises the option in subsection (11)(b), an additional fee of \$4 must be  
5 collected for each light vehicle or truck under 8,001 pounds GVW registered for licensing pursuant to this part.  
6 The fee must be deposited in the state general fund to be used for state parks, for fishing access sites, and for  
7 the operation of state-owned facilities as provided in 15-1-122(3)(c)(vii).

8 (b) A person who registers a light vehicle or truck under 8,001 pounds GVW may, at the time of annual  
9 registration, certify that the person does not intend to use state parks and fishing access sites and may make  
10 a written election not to pay the additional \$4 fee provided for in subsection (11)(a). If a written election is made,  
11 the fee may not be collected.

12 (12) For each vehicle subject to a registration fee under subsection (1), an additional fee of \$5 must be  
13 collected and forwarded to the department of revenue. The department of revenue shall deposit the \$5 in the  
14 account established in [section 4]."

15  
16 **NEW SECTION. SECTION 4. SPECIAL REVENUE ACCOUNT TO PARTIALLY FUND HIGHWAY PATROL OFFICERS'**  
17 **SALARIES -- STATUTORY APPROPRIATION. (1) THERE IS AN ACCOUNT IN THE STATE SPECIAL REVENUE FUND PROVIDED**  
18 **FOR IN 17-2-102.**

19 **(2) THE MONEY IN THE ACCOUNT IS STATUTORILY APPROPRIATED, AS PROVIDED IN 17-7-502, TO THE**  
20 **DEPARTMENT OF JUSTICE TO FUND, PURSUANT TO 2-18-303(10):**

21 **(A) AN INCREASE IN THE BASE SALARY FOR THE NUMBER OF HIGHWAY PATROL OFFICER POSITIONS EXISTING ON**  
22 **JUNE 30, 2006;**

23 **(B) THE BASE SALARY AND ASSOCIATED OPERATING COSTS FOR NEW HIGHWAY PATROL OFFICER POSITIONS**  
24 **CREATED AFTER JUNE 30, 2006; AND**

25 **(C) BIENNIAL SALARY INCREASES AFTER JUNE 30, 2006, FOR HIGHWAY PATROL OFFICERS.**

26  
27 **NEW SECTION. Section 5. Montana highway patrol exempt from vacancy savings -- REPORT TO**  
28 **AUDIT COMMITTEE. (1) Vacancy savings may not be imposed on authorized positions in the Montana highway**  
29 **patrol.**

30 (2) For purposes of this section:

1 (a) "authorized positions" means those positions included in the list of current authorized positions that  
2 the Montana highway patrol is required to maintain under 2-18-206; and

3 (b) "vacancy savings" means the difference between the cost of fully funding authorized positions for  
4 an entire fiscal year and the actual cost of those authorized positions during that period.

5 (3) EACH FISCAL YEAR, THE DEPARTMENT OF JUSTICE SHALL PROVIDE TO THE LEGISLATIVE AUDIT COMMITTEE  
6 A DETAILED REPORT ON ALL POSITIONS IN THE MONTANA HIGHWAY PATROL. AT A MINIMUM, THE REPORT MUST INCLUDE  
7 THE FOLLOWING INFORMATION:

8 (A) THE NUMBER OF POSITIONS THAT WERE FILLED DURING THE YEAR AND THE AVERAGE SALARY PAID AT HIRE;

9 (B) THE TOTAL NUMBER OF VACANCIES INCURRED DURING THE YEAR BROKEN OUT BY POSITION TITLE, THE CAUSE  
10 OF EACH VACANCY, AND THE LENGTH OF TIME THE POSITION REMAINED VACANT;

11 (C) THE TOTAL NUMBER OF HOURS SPENT ON PATROL DURING THE YEAR BROKEN OUT BY ENFORCEMENT ACTIVITY  
12 AND POSITION TITLE.

13  
14 ~~NEW SECTION. SECTION 3. APPROPRIATION. (1) THERE IS APPROPRIATED FOR THE FISCAL YEAR BEGINNING~~  
15 ~~JULY 1, 2006, \$3,480,008 FROM THE GENERAL FUND TO THE DEPARTMENT OF JUSTICE TO FUND AN INCREASE IN THE~~  
16 ~~BASE SALARY FOR THE NUMBER OF HIGHWAY PATROL OFFICER POSITIONS EXISTING ON JUNE 30, 2006; TO FUND THE~~  
17 ~~BASE SALARY AND ASSOCIATED OPERATING COSTS FOR NEW HIGHWAY PATROL OFFICER POSITIONS CREATED AFTER JUNE~~  
18 ~~30, 2006; AND TO FUND BIENNIAL SALARY INCREASES AFTER JUNE 30, 2006, FOR HIGHWAY PATROL OFFICERS.~~

19 ~~(2) THERE IS APPROPRIATED FROM THE HIGHWAYS STATE SPECIAL REVENUE ACCOUNT TO THE DEPARTMENT~~  
20 ~~OF JUSTICE \$283,325 FOR THE FISCAL YEAR BEGINNING JULY 1, 2005, AND \$566,650 FOR THE FISCAL YEAR BEGINNING~~  
21 ~~JULY 1, 2006, TO FUND BASE SALARIES AND ASSOCIATED PERSONAL SERVICES COSTS OF THE HIGHWAY PATROL DIVISION~~  
22 ~~OF THE DEPARTMENT OF JUSTICE.~~

23  
24 NEW SECTION. Section 6. Codification instruction. (1) [Section 3 7] is intended to be codified as  
25 an integral part of Title 33, chapter 23, part 2, and the provisions of Title 33 apply to [section 3] 44, CHAPTER 1,  
26 PART 5, AND THE PROVISIONS OF TITLE 44, CHAPTER 1, PART 5, APPLY TO [SECTION 7].

27 (1) [SECTION 4] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 44, CHAPTER 1, PART 5, AND THE  
28 PROVISIONS OF TITLE 44, CHAPTER 1, PART 5, APPLY TO [SECTION 4].

29 ~~(2)(2)~~ (2)(2) [Section 4 8 2 5] is intended to be codified as an integral part of Title 17, chapter 7, part 1, and  
30 the provisions of Title 17, chapter 7, apply to [section 4 8 2 5].

1  
2            COORDINATION SECTION. SECTION 7. COORDINATION INSTRUCTION. IF [THIS ACT] AND HOUSE BILL NO.  
3 447 ARE BOTH PASSED AND APPROVED, THEN 2-18-303 MUST BE AMENDED AS FOLLOWS:

4            **"2-18-303. Procedures for using pay schedules.** (1) The pay schedule provided in 2-18-312 must  
5 be implemented as follows:

6            (a) The pay schedule provided in 2-18-312 indicates the entry salary and market salary for each grade  
7 for positions classified under the provisions of part 2 of this chapter.

8            (b) Each employee newly hired by the state of Montana must be hired at the entry rate, except as  
9 provided in subsections ~~(6) through (9)~~ (5) through (9).

10           (c) On the first day of the first complete pay period in fiscal year ~~2004~~ 2006, each employee is entitled  
11 to the amount of the employee's base salary as it was on June 30, ~~2003~~ 2005.

12           (d) Effective on the first day of the first complete pay period that includes ~~January 1, 2005~~ an  
13 employee's anniversary date during the fiscal year ending June 30, 2006, the base salary of each employee  
14 must be increased by ~~an amount equal to 25 cents an hour or by a lesser amount so that the employee's base~~  
15 ~~salary after the increase does not exceed the maximum salary of the pay grade as provided in subsection (1)(f)~~  
16 3.5% or \$1,005, based upon 2,080 annual hours in a pay status, whichever is greater. Effective on the first day  
17 of the first complete pay period that includes an employee's anniversary date during the fiscal year ending June  
18 30, 2007, the base salary of each employee must be increased by 4% or \$1,188, based upon 2,080 annual  
19 hours in a pay status, whichever is greater. For employees hired on or before September 30, 2005, the  
20 anniversary date is October 1.

21           (e) An employee's base salary may be no less than the entry salary for the employee's assigned grade.

22           ~~(f) The maximum salary for each grade is determined by subtracting the entry salary from the market~~  
23 ~~salary and adding that amount to the market salary.~~

24           (2) The pay schedule provided in 2-18-312 and the provisions of ~~subsection~~ subsections (1)(a) through  
25 (1)(d) of this section do not apply to those ~~teachers or blue-collar occupations compensated under the pay~~  
26 ~~schedules provided in 2-18-313 and 2-18-315~~ employees who are members of collective bargaining units that  
27 have collectively bargained to participate in a separate or alternative classification and pay plan or who are  
28 covered under subsections (5) and (6) of this section.

29           ~~(3) The pay schedules provided in 2-18-313 and 2-18-315 must be implemented as follows:~~

30           ~~(a) (i) The pay schedules provided for in 2-18-313 indicate the annual compensation for teachers~~

1 ~~employed under the authority of the department of corrections or the department of public health and human~~  
 2 ~~services for fiscal years 2004 and 2005.~~

3 ~~——— (ii) The compensation of each teacher on July 1, 2003, is the same as it was on June 30, 2003.~~

4 ~~——— (iii) Effective on the first day of the first complete pay period that includes January 1, 2005, the base~~  
 5 ~~salary of each teacher employed in the department of public health and human services and the department of~~  
 6 ~~corrections is the amount provided for the teacher's step and education level under 2-18-313(2). This subsection~~  
 7 ~~(3)(a)(iii) does not provide for a step advancement.~~

8 ~~——— (b) The pay schedules provided in 2-18-315 indicate the maximum hourly compensation for fiscal~~  
 9 ~~years ending June 30, 2004, and June 30, 2005, for employees in apprentice trades and crafts and other~~  
 10 ~~blue-collar occupations recognized in the state blue-collar classification plan who are members of units that have~~  
 11 ~~collectively bargained separate classification and pay plans.~~

12 ~~——— (c) The compensation of each employee on the first day of the first pay period in each fiscal year is that~~  
 13 ~~amount corresponding to the grade occupied on the last day of the preceding fiscal year.~~

14 ~~(4)(3)~~ (a) (i) If the legislature authorizes a pay increase for state employees, a member of a bargaining  
 15 unit may not receive a pay increase until the employer's collective bargaining representative receives written  
 16 notice that the employee's bargaining unit has ratified a completely integrated collective bargaining agreement.

17 ~~(ii) If ratification of a completely integrated collective bargaining agreement, as required by subsection~~  
 18 ~~(4)(a)(i), is not completed by the date on which a legislatively authorized pay increase is implemented,~~  
 19 ~~retroactivity to that date may be negotiated.~~

20 ~~(iii)(ii)~~ (ii) If ratification of a completely integrated collective bargaining agreement, as required by subsection  
 21 ~~(4)(a)(i) (3)(a)(i),~~ is not completed by the date on which a legislatively authorized pay increase is implemented,  
 22 members of the bargaining unit must continue to receive the compensation that they were receiving until an  
 23 agreement is ratified.

24 (b) Methods of administration not inconsistent with the purpose of this part and necessary to properly  
 25 implement the pay schedules and adjustments provided in 2-18-312, 2-18-313, 2-18-315, and this section may  
 26 be provided for in collective bargaining agreements.

27 ~~(5)(4)~~ The current wage or salary of an employee may not be reduced by the implementation of the pay  
 28 schedules provided for in 2-18-312, 2-18-313, and 2-18-315.

29 ~~(6)(5)~~ The department may authorize a separate pay schedule for classes of medical professionals if  
 30 the rates provided in 2-18-312 are not sufficient to attract and retain fully licensed and qualified professionals.

1           ~~(7)~~(6) (a) The department may develop and implement an alternative pay and classification plan for  
2 certain classes, occupations, and work units. Pay for employees in the alternative pay and classification plan  
3 may be established and changed based on demonstrated competencies and accomplishments, on the labor  
4 market, and on other situations defined by the department.

5           (b) To the extent that the plan applies to employees within a collective bargaining unit, the  
6 implementation of the plan is a negotiable subject under 39-31-305.

7           ~~(8)~~(7) The department may develop programs that enable the department to mitigate problems  
8 associated with difficult recruitment, retention, transfer, or other exceptional circumstances. To the extent that  
9 the program applies to employees within a collective bargaining unit, it is a negotiable subject under 39-31-305.

10           ~~(9)~~(8) The department shall review the competitiveness of the compensation provided to all occupations  
11 under this part. If the department finds that substantial problems exist with recruitment and retention because  
12 of inadequate salaries when compared to competing employers, the department may establish criteria allowing  
13 an adjustment in pay or classification to mitigate the problems. To the extent that these adjustments apply to  
14 employees within a collective bargaining unit, the implementation of these adjustments is a negotiable subject  
15 under 39-31-305.

16           (9) (a) Montana highway patrol officer base salaries and biennial salary increases must be established  
17 through an alternative pay and classification plan. Before January 1 of each odd-numbered year, the department  
18 shall, after seeking the advice of the Montana highway patrol, conduct a salary survey to be used in establishing  
19 the base salary and any biennial salary increase for existing and entry-level highway patrol officer positions. The  
20 county sheriff departments in the following consolidated governments and counties are the labor market for  
21 purposes of the survey: Butte-Silver Bow, Cascade, Yellowstone, Missoula, Lewis and Clark, Gallatin, Flathead,  
22 and Dawson. The base salary and biennial salary increases for existing and entry-level highway patrol officer  
23 positions must then be determined by the department of justice, using the results of the salary survey and the  
24 department of justice pay plan guidelines. Base or biennial salary increases under this subsection are exclusive  
25 of and not in addition to any increases otherwise awarded to other state employees after July 1, 2006.

26           (b) To the extent that the plan applies to employees within a collective bargaining unit, the  
27 implementation of the plan is a negotiable subject under 39-31-305.

28           (c) The salary survey must be submitted to the office of budget and program planning as a part of the  
29 information required by 17-7-111.

30           (d) (i) Except as provided in subsection (9)(d)(ii), the survey and plan must be completed at least 6

1 months before the start of each regular legislative session.

2 (ii) The first survey must be completed by January 1, 2006, for the plan to be implemented for the first  
 3 full pay period in fiscal year 2007."

5 COORDINATION SECTION. SECTION 8. COORDINATION INSTRUCTION. IF [THIS ACT] AND HOUSE BILL NO.  
 6 447 ARE BOTH PASSED AND APPROVED, THEN [SECTION 6] OF HOUSE BILL NO. 447 MUST BE AMENDED AS FOLLOWS:

7 **"Section 6. Appropriation.** (1) The following money for the indicated fiscal years is appropriated to  
 8 the listed agencies, from the designated state fund, to implement the adjustments provided for in 2-18-303:

9 Fiscal Year 2006

10	General Fund	State Special	Federal Special	Proprietary
11	Legislative Branch			
12	\$209,282	\$18,179	\$0	\$0
13	Consumer Council			
14	0	11,734	0	0
15	Judicial Branch			
16	599,262	23,565	2,033	0
17	Executive Branch			
18	5,613,599	5,553,930	3,644,273	138,263
19	University System			
20	3,820,187	0	125,024	0
21	Total \$10,242,330	\$5,607,408	\$3,771,330	\$138,263

22 Fiscal Year 2007

23	General Fund	State Special	Federal Special	Proprietary
24	Legislative Branch			
25	\$538,330	\$46,934	\$0	\$0
26	Consumer Council			
27	0	30,024	0	0
28	Judicial Branch			
29	1,547,500	59,996	5,282	0
30	Executive Branch			

1	14,700,424	<del>14,466,134</del> <u>14,166,823</u>	9,491,019	361,653
2	University System			
3	9,007,001	0	293,720	0
4	Total \$25,793,255	<del>\$14,603,088</del> <u>\$14,303,777</u>	\$9,790,021	\$361,653

5 (2) The following money is appropriated for the biennium to the office of budget and program planning,  
 6 from the designated state fund, to be distributed to agencies when personnel vacancies do not occur, retirement  
 7 costs exceed agency resources, or other contingencies arise:

8	Fiscal Year 2006			
9	General Fund	State Special	Federal Special	Proprietary
10	Personal Services Contingency			
11	\$1,500,000	\$2,400,000	\$500,000	\$100,000

12 (3) The following money is appropriated for the biennium to the department of administration for a  
 13 labor-management training initiative:

14	Fiscal Year 2006	
15	General Fund	Other Funds
16	Labor-Management Training Initiative	\$ 75,000"

18 COORDINATION SECTION. SECTION 9. COORDINATION INSTRUCTION. IF BOTH SENATE BILL NO. 285 AND  
 19 [THIS ACT] ARE PASSED AND APPROVED, THEN SUBSECTION (12) OF 61-3-321 IN [THIS ACT] MUST READ AS FOLLOWS:

20 "(12) For each vehicle subject to a registration fee under subsection (1), except snowmobiles, watercraft,  
 21 and pole trailers, an additional fee of \$5 must be collected and forwarded to the department of revenue. The  
 22 department of revenue shall deposit the \$5 in the account established in [section 4]."

24 NEW SECTION. Section 10. Effective dates. (1) Except as provided in subsection (2), [this act] is  
 25 effective on passage and approval JANUARY 1, 2006 ON PASSAGE AND APPROVAL.

26 (2) ~~[Section 4 8] is effective July 1, 2005.~~

27 ~~———— (2) [SECTIONS 1 AND 9] AND THIS SECTION ARE EFFECTIVE ON PASSAGE AND APPROVAL.~~

28 ~~(2) [SECTION 2] IS [SECTIONS 2 THROUGH 4] ARE EFFECTIVE JANUARY 1, 2006.~~

30 ~~———— NEW SECTION. Section 7. Applicability. [Section 3] applies to insurance policies that originate or~~

1 ~~are renewed after [the effective date of this section].-~~

2 - END -