

HOUSE BILL NO. 178

INTRODUCED BY PRICE, EHLI, BOLAND, BROCKIE, COFFIN, ECK, GURSKY, HILL, HUNTER,  
JACOBSON, MCCHESENEY, MCCLAFFERTY, MCNALLY, MEHLHOFF, PEPPERS, PIERSON,  
POMNICHOWSKI, PRICE, SALOMON, SCHREINER, SQUIRES, STEENBERG, SWANSON, WHITFORD,  
WILMER, WOODS, COURT

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING FUNDING TO THE TRAFFIC EDUCATION ACCOUNT  
BY REVISING THE ALLOCATION OF DRIVER'S LICENSE FEES AND COMMERCIAL DRIVER'S LICENSE  
FEES; AMENDING ~~SECTION~~ SECTIONS 20-7-507 AND 61-5-121, MCA; AND PROVIDING AN EFFECTIVE  
DATE."

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

**SECTION 1.** SECTION 20-7-507, MCA, IS AMENDED TO READ:

**"20-7-507. District traffic education fund.** The trustees of any district maintaining a traffic education  
course shall establish a special nonbudgeted fund with the county treasurer for traffic education. All nontax  
receipts for traffic education must be deposited in the district's traffic education fund. The expenditure of the  
money deposited in the district's traffic education fund is not subject to the budgeting provisions of this title, and  
the money may be expended for traffic education. A district may not transfer funds from the traffic education fund  
to any other fund or to another entity. Funds in the traffic education fund must be used to increase the rate of  
student participation in traffic education, including recruiting instructors and reducing the cost to students and  
parents of students who participate in traffic education."

**Section 2.** Section 61-5-121, MCA, is amended to read:

**"61-5-121. Disposition of fees.** (1) Except as provided in subsection (3), the disposition of the fees from  
driver's licenses, motorcycle endorsements, commercial driver's licenses, and replacement driver's licenses  
provided for in 61-5-114 is as follows:

(a) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of 2.5%  
of each driver's license fee, 2.5% of each commercial driver's license fee, and 3.75% of each replacement driver's  
license fee must be deposited into the county general fund.

1 (ii) If the fees are collected by the department, the amount provided for in subsection (1)(a)(i) must be  
2 deposited into the state general fund.

3 (b) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of 3.34%  
4 of each motorcycle endorsement must be deposited into the county general fund.

5 (ii) If the fee is collected by the department, the amount provided for in subsection (1)(b)(i) must be  
6 deposited into the state general fund.

7 (c) The amount of ~~20.7%~~ 41% of each driver's license fee, ~~16.94%~~ 30% of each commercial driver's  
8 license fee, and 8.75% of each replacement driver's license fee must be deposited into the state traffic education  
9 account.

10 (d) In addition to the amounts deposited pursuant to subsections (1)(a)(ii) and (1)(b)(ii), the remainder  
11 of each driver's license fee, each commercial driver's license fee, and each replacement driver's license fee must  
12 be deposited into the state general fund.

13 (e) The amount of 63.46% of each motorcycle endorsement fee must be deposited into the state  
14 motorcycle safety account in the state special revenue fund, and the amount of 33.2% of each motorcycle  
15 endorsement fee must be deposited into the state general fund.

16 (2) (a) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and  
17 replacement driver's licenses are collected by a county treasurer or other agent of the department, the county  
18 treasurer or agent shall deposit the amounts provided for in subsections (1)(a)(i) and (1)(b)(i) into the county  
19 general fund. The county treasurer or agent shall then remit all remaining fees to the state for deposit as provided  
20 in subsections (1)(c) through (1)(e).

21 (b) If fees from driver's licenses, commercial driver's licenses, motorcycle endorsements, and  
22 replacement driver's licenses are collected by the department, it shall deposit the fees as provided in subsections  
23 (1)(a)(ii), (1)(b)(ii), and (1)(c) through (1)(e).

24 (3) The fee for a renewal notice, whether collected by a county treasurer, an authorized agent, or the  
25 department, must be remitted to the department for deposit in the state general fund."  
26

27 NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2013.  
28

- END -