



AN ACT PROVIDING FOR A NEW DRIVER'S LICENSE OR IDENTIFICATION CARD TO COMPLY WITH THE FEDERAL REAL ID ACT OF 2005; PROVIDING THAT APPLICATION FOR A REAL ID-COMPLIANT DRIVER'S LICENSE OR IDENTIFICATION CARD IS VOLUNTARY; PROVIDING FEES; EXTENDING RULEMAKING AUTHORITY; PROVIDING FOR APPROPRIATIONS; AUTHORIZING THE DEPARTMENT OF JUSTICE TO ENTER INTO A LOAN FOR IMPLEMENTATION OF THE REAL ID ACT; PROVIDING FOR CONTINGENT VOIDNESS; AMENDING SECTIONS 17-5-2001 AND 61-5-128, MCA; AND PROVIDING EFFECTIVE DATES.

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

Section 1. REAL ID-compliant driver's license or identification card -- voluntary application. (1)

The department shall issue a Montana driver's license or identification card that complies with the requirements of the federal REAL ID Act of 2005, Public Law 109-13, to each qualifying applicant.

(2) (a) When required to obtain a Montana driver's license or identification card, a person may choose to apply for either a standard driver's license or identification card, or for a REAL ID-compliant driver's license or REAL ID-compliant identification card.

(b) A person may not hold a valid standard driver's license or identification card and a valid REAL ID-compliant driver's license or identification card at the same time.

(3) (a) A REAL ID-compliant driver's license issued pursuant to this section is subject to the other requirements of obtaining, renewing, and using a standard driver's license issued pursuant to this chapter.

(b) A REAL ID-compliant identification card issued pursuant to this section is subject to the other requirements of obtaining, renewing, and using a standard identification card issued pursuant to Title 61, chapter 12, part 5, and this chapter.

(4) (a) In addition to the fees charged to apply for or renew a standard driver's license under 61-5-111(6), and the fees charged to apply for a standard identification card under 61-12-504, the department may charge the following additional fees:

(i) for a person who is applying for a REAL ID-compliant driver's license or identification card during a

renewal period specified in 61-5-111(3)(c), the additional fee is \$25;

(ii) for a person who is applying for a REAL ID-compliant driver's license or identification card prior to the renewal period specified in 61-5-111(3)(c), the additional fee is \$50; and

(iii) for a person who renews a standard driver's license or a standard identification card under 61-5-111(3)(c) between June 1, 2017, through December 31, 2017, and is applying for a REAL ID-compliant driver's license or identification card between January 1, 2018, and June 30, 2018, the additional fee is \$25.

(b) The fees collected under this subsection (4) must be deposited in the state special revenue fund to be used to fund the equipment and staffing necessary to provide REAL ID-compliant driver's licenses and identification cards.

Section 2. Section 17-5-2001, MCA, is amended to read:

"17-5-2001. Loans to state agencies. (1) An agency responsible for the procurement and provision of vehicles, automated systems, and equipment using an enterprise fund or an internal service fund, as described in 17-2-102, is authorized to enter into contracts, loan agreements, or other forms of indebtedness payable over a term not to exceed 7 years for the purpose of financing the cost of the vehicles and equipment and to pledge to the repayment of the indebtedness the revenue of the enterprise fund or internal service fund if:

(a) the term of the indebtedness does not exceed the useful life of the items being financed; and

(b) at the time that the indebtedness is incurred, the projected revenue of the fund, based on the fees and charges approved by the legislature and other available fund revenue, will be sufficient to repay the indebtedness over the proposed term and to maintain the operation of the enterprise.

(2) (a) The department of justice is authorized to enter into contracts, loan agreements, or other forms of indebtedness with the board of investments for an amount not to exceed \$28.5 million, payable over a term not to exceed 15 years, for financing the cost of an information technology system for the production and maintenance of motor vehicle title and registration records and driver's license records.

(b) For purposes of the financing of the motor vehicle information technology system, loans are payable from the money in the motor vehicle information technology system account as provided in 61-3-550. The term of the indebtedness may not exceed the useful life of the items being financed. At the time that the loan is made, the projected revenue of the motor vehicle information technology system account, based upon the fees approved by the legislature, must be sufficient to repay the indebtedness over the proposed term.

(3) The department of justice is authorized to enter into contracts, loan agreements, or other forms of indebtedness with the board of investments for an amount not to exceed \$4.6 million, payable over a term not to exceed 10 years, for financing the cost of an information technology system, and other associated costs, for the implementation of the REAL ID Act of 2005. Loans are payable from the money from the state special revenue fund provided for in [section 1(4)(b)]."

Section 3. Section 61-5-128, MCA, is amended to read:

"61-5-128. Legislative finding and direction to state agency not to implement REAL ID Act. ~~(1) The legislature finds that the enactment into law by the U.S. congress of the REAL ID Act of 2005, as part of Public Law 109-13, is inimical to the security and well-being of the people of Montana, will cause unneeded expense and inconvenience to those people, and was adopted by the U.S. congress in violation of the principles of federalism contained in the 10th amendment to the U.S. constitution.~~

~~(2) The state of Montana will not shall participate in the implementation of the REAL ID Act of 2005, Public Law 109-13. The department, including the motor vehicle division of the department, is directed not to implement the provisions of the REAL ID Act of 2005 and to report to the governor any attempt by agencies or agents of the U.S. department of homeland security to secure the implementation of the REAL ID Act of 2005 through the operations of that division and department."~~

Section 4. Appropriations. (1) For the biennium beginning July 1, 2017, there is appropriated \$75,000 from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for providing information to the public about [this act].

(2) For the biennium beginning July 1, 2017, there is appropriated \$800,000 from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for reprogramming information technology systems and modifying systems to implement [this act].

(3) For the fiscal year beginning July 1, 2017, there is appropriated \$1.852 million from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for operating expenses related to the implementation of [this act].

(4) For the fiscal year beginning July 1, 2018, there is appropriated \$1.852 million from the state special revenue fund referenced in [section 1(4)(b)] to the motor vehicle division of the department of justice for operating

expenses related to the implementation of [this act].

Section 5. Legislative intent. It is the intent of the legislature that the department of justice use modified full-time equivalent positions to implement [this act].

Section 6. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 61, chapter 5, part 1, and the provisions of Title 61, chapter 5, part 1, apply to [section 1].

Section 7. Contingent voidness. If before January 1, 2018, the state of Montana receives an extension from compliance with the REAL ID Act of 2005, Public Law 109-13, from the department of homeland security, the appropriation in [section 4(3)] is void.

Section 8. Contingent voidness. If the REAL ID Act of 2005, Public Law 109-13, is repealed or if the federal government notifies the state of Montana that compliance with the REAL ID Act is not required, then [this act] is void.

Section 9. Effective date -- contingency. (1) Except as provided in subsection (2), [this act] is effective January 1, 2018.

(2) If before January 1, 2018, the state of Montana receives an extension from compliance with the REAL ID Act of 2005, Public Law 109-13, from the department of homeland security, [this act] is effective January 1, 2019. Notification of the extension must be sent to the Montana department of justice and the code commissioner.

- END -

I hereby certify that the within bill,
SB 0366, originated in the Senate.

President of the Senate

Signed this _____ day
of _____, 2017.

Secretary of the Senate

Speaker of the House

Signed this _____ day
of _____, 2017.

SENATE BILL NO. 366

INTRODUCED BY J. COHENOUR, J. ESSMANN, J. SESSO, F. THOMAS, B. USHER

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