



AN ACT AUTHORIZING TRANSFERS AND FEES AND OTHER NECESSARY MEASURES TO IMPLEMENT THE GENERAL APPROPRIATIONS ACT RELATING TO MOTOR VEHICLES AND CORRECTIONS; CREATING AND INCREASING FEE PAYMENTS RELATED TO THE MOTOR VEHICLE DIVISION; CREATING STATE SPECIAL REVENUE ACCOUNTS AND ALLOCATING PAYMENTS OF FEES TO THE ACCOUNTS; REPEALING THE BOOT CAMP INCARCERATION PROGRAM; SETTING A MAXIMUM PAYMENT TO REGIONAL CORRECTIONS FACILITIES FOR THE BIENNIUM BEGINNING JULY 1, 2017; INCREASING FEE PAYMENTS FOR ISSUANCE OF TEMPORARY REGISTRATION PERMITS; EXPANDING THE USE OF THE VEHICLE INSURANCE VERIFICATION AND LICENSE PLATE OPERATING ACCOUNT; REQUIRING THE JUDICIAL BRANCH AND THE OFFICE OF STATE PUBLIC DEFENDER TO DEVELOP PROTOCOLS FOR THE APPOINTMENT OF COUNSEL IN TREATMENT COURTS; TRANSFERRING THE BOARD OF CRIME CONTROL AND ITS FUNCTIONS FROM THE DEPARTMENT OF JUSTICE TO THE DEPARTMENT OF CORRECTIONS; REDUCING THE SIZE OF THE BOARD AND ELIMINATING THE EXECUTIVE DIRECTOR POSITION OF THE BOARD OF CRIME CONTROL; AMENDING SECTIONS 2-15-2006, 3-1-318, 15-70-403, 44-1-501, 44-4-313, 46-18-201, 53-1-202, 53-30-134, 53-30-507, 60-3-201, 61-3-118, 61-3-224, 61-3-321, AND 61-6-158, MCA; REPEALING SECTIONS 53-30-401, 53-30-402, AND 53-30-403, MCA; AND PROVIDING EFFECTIVE DATES.

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

Section 1. Transfers. By August 15, 2017, the state treasurer shall make the following transfers:

- (1) \$2,970,000 from the consumer protection state special revenue account administered by the department of justice to the general fund;
- (2) \$6,630,000 from the consumer protection state special revenue account administered by the department of justice to the long-range building program account for construction at the Montana Law Enforcement Academy; and
- (3) \$300,000 from the parental contributions account established in 41-5-112 to the general fund.

Section 2. Medical examiner state special revenue account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the medical examiner account.

(2) Fees for services rendered pursuant to 46-4-103 must be deposited in the account.

(3) Funds in the account may only be used for the operation and administration of state forensic laboratories.

Section 3. Motor vehicle division administrative fees. The motor vehicle division of the department shall charge, impose, and collect a 9.6% administrative fee on all fees charged under 23-2-809, 23-2-617, and this title as follows:

(1) a 3% administrative fee to be deposited into the motor vehicle division administration account established in [section 4]; and

(2) a 6.6% administrative fee to be deposited in the transportation department's account in the state special revenue fund.

Section 4. Motor vehicle division state special revenue account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the motor vehicle division administration account.

(2) Administrative fees collected on behalf of the motor vehicle division pursuant to [section 3(1)] must be deposited in the account.

(3) Fees collected pursuant to 61-3-321(2) and (7) are deposited in this account.

Section 5. Highway patrol administration state special revenue account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the highway patrol administration account.

(2) Funds directed to the account by 15-70-403(8) and 60-3-201(1)(e) must be deposited in the account.

Section 6. Court-appointed special advocate account. (1) There is a court-appointed special advocate account in the state special revenue fund. There must be paid into this account the fees collected pursuant to 3-1-318. The money in the account must be used solely for the purpose of providing funding for

court-appointed special advocates.

(2) The supreme court administrator shall establish procedures for the distribution and accountability of money in the account. The supreme court administrator may designate nonprofit organizations that ordinarily provide special advocate services to receive or administer the distribution of the fund.

Section 7. Section 2-15-2006, MCA, is amended to read:

"2-15-2006. Board of crime control -- composition -- allocation. (1) There is a board of crime control.

(2) The board is allocated to the department of corrections for administrative purposes only as prescribed in 2-15-121, except that the provisions of 2-15-121(2)(a) and (2)(c) do not apply. However, the board may hire its own personnel, and 2-15-121(2)(d) does not apply. The board may:

(a) direct and supervise the budgeting, recordkeeping, reporting, and related administrative and clerical functions of the board; and

(b) collect all revenue for the board and deposit it in the proper fund or account. The board may not use or divert the revenue from the fund or account for purposes other than provided by law.

(3) The board is composed of ~~48~~ 15 members appointed by the governor in accordance with 2-15-124 and any special requirements of Title I of the Omnibus Crime Control and Safe Streets Act, as amended. The board shall be representative of state and local law enforcement and criminal justice agencies, including agencies directly related to the prevention and control of juvenile delinquency, units of general local government, and public agencies maintaining programs to reduce and control crime and shall include representatives of citizens and professional and community organizations, including organizations directly related to delinquency prevention."

Section 8. Section 3-1-318, MCA, is amended to read:

"3-1-318. Surcharges upon certain criminal convictions -- exception. (1) Except as provided in subsection (2), all courts of limited jurisdiction, except small claims courts, shall impose a \$10 surcharge on a defendant who is convicted of criminal conduct under state statute or who forfeits bond.

(2) A court may not waive payment of the surcharge unless the court determines that the defendant is unable to pay the surcharge. Inability to pay must be supported by a sworn statement from the defendant demonstrating financial inability to pay without substantial hardship in providing for personal or family necessities. The statement is not admissible in the proceeding unless offered for impeachment purposes and is not admissible

in a subsequent prosecution for perjury or false swearing.

(3) The surcharge imposed by this section is not a fee or a fine and must be imposed in addition to other taxable court costs, fees, or fines. The surcharge may not be used in determining the jurisdiction of any court.

(4) The amounts collected under this section must be ~~forwarded to the department of revenue for deposit in the account created in 44-10-204~~ deposited in the court-appointed special advocate account established in [section 6]."

Section 9. Section 15-70-403, MCA, is amended to read:

"15-70-403. Gasoline and special fuel tax -- incidence -- rates. (1) The incidence of the fuel tax is on the distributor for the privilege of engaging in and carrying on business in this state. Each distributor shall pay to the department of transportation a tax in an amount equal to:

(a) 27 cents for each gallon of gasoline distributed by the distributor within the state and upon which the gasoline tax has not been paid by any other distributor;

(b) 27 3/4 cents for each gallon of special fuel distributed by the distributor within the state and on which the special fuel tax has not been paid by any other distributor; and

(c) 4 cents for each gallon of aviation fuel, other than fuel sold to the federal defense fuel supply center, which is allocated to the department as provided by 67-1-301.

(2) Gasoline or special fuel may not be included in the measure of the distributor's tax if it is sold for export unless the distributor is not licensed and is not paying the tax to the state where the fuel is destined.

(3) Special fuel may not be included in the measure of the distributor's tax if it is dyed by injector at a refinery or terminal for off-highway use.

(4) When no Montana fuel tax has been paid by a distributor or any other person, the department shall collect or cause to be collected from the owners or operators of motor vehicles operating on the public roads and highways of this state a tax equal to the tax rate provided for in subsection (1)(a) for gasoline and subsection (1)(b) for dyed or undyed special fuel. The tax must be paid for each gallon of gasoline or special fuel as defined in this part, or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test sold or used to produce motor power to operate motor vehicles on the public roads and highways of this state.

(5) The tax may not be imposed on dyed special fuel delivered into the fuel supply tank of a vehicle that

is equipped with a feed delivery box if:

- (a) the feed delivery box is permanently affixed to the vehicle;
- (b) the vehicle is used exclusively for the feeding of livestock; and
- (c) the gross vehicle weight of the vehicle, exclusive of any towed units, is greater than 12,000 pounds.
- (6) All special fuel or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I.

(American petroleum institute) gravity test sold or used in motor vehicles, motorized equipment, and the internal combustion of any engines, including stationary engines, and used in connection with any work performed under any contracts pertaining to the construction, reconstruction, or improvement of a highway or street and its appurtenances awarded by any public agencies, including federal, state, county, municipal, or other political subdivisions, must be undyed fuel on which Montana fuel tax has been paid.

(7) Material used for construction, reconstruction, or improvement in connection with work performed under a contract as provided in subsection (6) must be produced using fuel on which Montana fuel tax has been paid.

(8) Of the special fuel tax collected pursuant to subsection (1)(b), 4 cents must be deposited to the highway patrol administration state special revenue account established in [section 5] and the remainder must be deposited to the credit of the department of transportation for the purposes defined in 60-3-201(1)(f)."

Section 10. Section 44-1-501, MCA, is amended to read:

"44-1-501. Payment of expenses. ~~All~~ A portion of expenses of the highway patrol ~~shall~~ must be paid out of the ~~transportation department's account in the state special revenue fund~~ highway patrol administration account established in [section 5]."

Section 11. Section 44-4-313, MCA, is amended to read:

"44-4-313. Restriction on use of funds. Funds deposited in the domestic violence intervention account may be used only for the program authorized in 44-4-311 and the costs authorized under 44-4-312 and may not be used to pay the expenses of any other program or service administered in whole or in part by the Montana board of crime control or the department of ~~justice~~ corrections."

Section 12. Section 46-18-201, MCA, is amended to read:

"46-18-201. Sentences that may be imposed. (1) (a) Whenever a person has been found guilty of an offense upon a verdict of guilty or a plea of guilty or nolo contendere, a sentencing judge may defer imposition of sentence, except as otherwise specifically provided by statute, for a period:

- (i) not exceeding 1 year for a misdemeanor or for a period not exceeding 3 years for a felony; or
- (ii) not exceeding 2 years for a misdemeanor or for a period not exceeding 6 years for a felony if a financial obligation is imposed as a condition of sentence for either the misdemeanor or the felony, regardless of whether any other conditions are imposed.

(b) Except as provided in 46-18-222, imposition of sentence in a felony case may not be deferred in the case of an offender who has been convicted of a felony on a prior occasion, whether or not the sentence was imposed, imposition of the sentence was deferred, or execution of the sentence was suspended.

(2) Whenever a person has been found guilty of an offense upon a verdict of guilty or a plea of guilty or nolo contendere, a sentencing judge may suspend execution of sentence, except as otherwise specifically provided by statute, for a period up to the maximum sentence allowed or for a period of 6 months, whichever is greater, for each particular offense.

(3) (a) Whenever a person has been found guilty of an offense upon a verdict of guilty or a plea of guilty or nolo contendere, a sentencing judge may impose a sentence that may include:

- (i) a fine as provided by law for the offense;
- (ii) payment of costs, as provided in 46-18-232, or payment of costs of assigned counsel as provided in 46-8-113;

(iii) a term of incarceration, as provided in Title 45 for the offense, at a county detention center or at a state prison to be designated by the department of corrections;

(iv) commitment of:

(A) an offender not referred to in subsection (3)(a)(iv)(B) to the department of corrections, with a recommendation for placement in an appropriate correctional facility or program; however, all but the first 5 years of the commitment to the department of corrections must be suspended, except as provided in 45-5-503(4), 45-5-507(5), 45-5-601(3), 45-5-602(3), 45-5-603(2)(b), and 45-5-625(4); or

(B) a youth transferred to district court under 41-5-206 and found guilty in the district court of an offense enumerated in 41-5-206 to the department of corrections for a period determined by the court for placement in an appropriate correctional facility or program;

(v) with the approval of the facility or program, placement of the offender in a community corrections facility or program as provided in 53-30-321;

(vi) with the approval of the prerelease center or prerelease program and confirmation by the department of corrections that space is available, placement of the offender in a prerelease center or prerelease program for a period not to exceed 1 year;

(vii) chemical treatment of sexual offenders, as provided in 45-5-512, if applicable, that is paid for by and for a period of time determined by the department of corrections, but not exceeding the period of state supervision of the person; or

(viii) any combination of subsections (2) and (3)(a)(i) through (3)(a)(vii).

(b) A court may permit a part or all of a fine to be satisfied by a donation of food to a food bank program.

(4) When deferring imposition of sentence or suspending all or a portion of execution of sentence, the sentencing judge may impose upon the offender any reasonable restrictions or conditions during the period of the deferred imposition or suspension of sentence. Reasonable restrictions or conditions imposed under subsection (1)(a) or (2) may include but are not limited to:

(a) limited release during employment hours as provided in 46-18-701;

(b) incarceration in a detention center not exceeding 180 days;

(c) conditions for probation;

(d) payment of the costs of confinement;

(e) payment of a fine as provided in 46-18-231;

(f) payment of costs as provided in 46-18-232 and 46-18-233;

(g) payment of costs of assigned counsel as provided in 46-8-113;

(h) with the approval of the facility or program, an order that the offender be placed in a community corrections facility or program as provided in 53-30-321;

(i) with the approval of the prerelease center or prerelease program and confirmation by the department of corrections that space is available, an order that the offender be placed in a prerelease center or prerelease program for a period not to exceed 1 year;

(j) community service;

(k) home arrest as provided in Title 46, chapter 18, part 10;

(l) payment of expenses for use of a judge pro tempore or special master as provided in 3-5-116;

~~(m)~~ with the approval of the department of corrections and with a signed statement from an offender that the offender's participation in the boot camp incarceration program is voluntary, an order that the offender complete the boot camp incarceration program established pursuant to ~~53-30-403~~;

~~(n)~~(m) participation in a day reporting program provided for in 53-1-203;

~~(o)~~(n) participation in the 24/7 sobriety and drug monitoring program provided for in Title 44, chapter 4, part 12, for a violation of 61-8-465, a second or subsequent violation of 61-8-401, 61-8-406, or 61-8-411, or a second or subsequent violation of any other statute that imposes a jail penalty of 6 months or more if the abuse of alcohol or dangerous drugs was a contributing factor in the commission of the crime or for a violation of any statute involving domestic abuse or the abuse or neglect of a minor if the abuse of alcohol or dangerous drugs was a contributing factor in the commission of the crime regardless of whether the charge or conviction was for a first, second, or subsequent violation of the statute;

~~(p)~~(o) participation in a restorative justice program approved by court order and payment of a participation fee of up to \$150 for program expenses if the program agrees to accept the offender;

~~(q)~~(p) any other reasonable restrictions or conditions considered necessary for rehabilitation or for the protection of the victim or society; or

~~(r)~~(q) any combination of the restrictions or conditions listed in subsections (4)(a) through ~~(4)(q)~~ (4)(p).

(5) In addition to any other penalties imposed, if a person has been found guilty of an offense upon a verdict of guilty or a plea of guilty or nolo contendere and the sentencing judge finds that a victim, as defined in 46-18-243, has sustained a pecuniary loss, the sentencing judge shall, as part of the sentence, require payment of full restitution to the victim, as provided in 46-18-241 through 46-18-249, whether or not any part of the sentence is deferred or suspended.

(6) In addition to any of the penalties, restrictions, or conditions imposed pursuant to subsections (1) through (5), the sentencing judge may include the suspension of the license or driving privilege of the person to be imposed upon the failure to comply with any penalty, restriction, or condition of the sentence. A suspension of the license or driving privilege of the person must be accomplished as provided in 61-5-214 through 61-5-217.

(7) In imposing a sentence on an offender convicted of a sexual or violent offense, as defined in 46-23-502, the sentencing judge may not waive the registration requirement provided in Title 46, chapter 23, part 5.

(8) If a felony sentence includes probation, the department of corrections shall supervise the offender

unless the court specifies otherwise.

(9) As used in this section, "dangerous drug" has the meaning provided in 50-32-101."

Section 13. Section 53-1-202, MCA, is amended to read:

"53-1-202. Department of corrections. (1) Adult and youth correctional services are included in the department of corrections to carry out the purposes of the department.

(2) Adult corrections services consist of the following correctional facilities or programs:

(a) the prisons listed in 53-30-101;

(b) appropriate community-based programs for the placement, supervision, and rehabilitation of adult felons who meet the criteria developed by the department for placement:

(i) in prerelease centers;

(ii) under intensive supervision;

(iii) under parole or probation pursuant to Title 46, chapter 23, part 2; or

(iv) in other appropriate programs; and

~~(e) the boot camp authorized by 53-30-403; and~~

~~(d)~~(c) the Montana correctional enterprises prison industries training program authorized by 53-30-131.

(3) Youth correctional services consist of the following correctional facilities or programs to provide for custody, supervision, training, education, and rehabilitation of delinquent youth and youth in need of intervention pursuant to Title 52, chapter 5:

(a) Pine Hills youth correctional facility or other state youth correctional facility; and

(b) any other facility or program that provides custody and services for delinquent youth.

(4) A state institution or correctional facility may not be moved, discontinued, or abandoned without the consent of the legislature."

Section 14. Section 53-30-134, MCA, is amended to read:

"53-30-134. Montana correctional enterprises license plate production operating account. (1) There is a license plate production operating account of the ~~internal-service~~ enterprise fund type, as provided in 17-2-102.

(2) All payments received by the Montana correctional enterprises program under a contract related to

the manufacture of license plates, products and services provided for pursuant to 53-30-131 through 53-30-133, and of fees paid under 61-3-478 must be deposited in the account.

(3) The money in the license plate production operating account must be used by Montana correctional enterprises for the operation and enhancement of its inmate training and license plate manufacturing enterprise."

Section 15. Section 53-30-507, MCA, is amended to read:

"53-30-507. Rulemaking authority. (1) The department may adopt rules to implement this part, including rules for the determination of how sites are to be chosen for regional correctional facilities. The rules must provide that in selecting a site, the department shall consider the need for a regional correctional facility in the area, the ability and willingness of a local governmental entity or a corporation to enter into a long-term contract with the department, and the availability of rehabilitative services to inmates. The rules must require that a corporation respond to a request for proposals prepared by the department for a regional correctional facility before a contract may be entered with that corporation.

(2) The department shall adopt rules that include the minimum applicable standards for the construction, operation, and physical condition of a state correctional facility portion of a regional correctional facility and for the security, safety, health, treatment, and discipline of persons confined in a state correctional facility portion of a regional correctional facility. The rules must require that a privately operated or privately owned and operated state correctional facility portion of a regional correctional facility conform to applicable American correctional association and national commission on correctional health care standards.

(3) (a) The department shall adopt rules pursuant to Title 2, chapter 4, that specify a per diem rate that must be paid to a regional correctional facility for the confinement of persons in the state correctional facility portion of the regional correctional facility.

(b) The rules adopted pursuant to subsection (3)(a) must include but are not limited to:

- (i) a definition of per diem rate;
- (ii) a method of calculating the per diem rate; and
- (iii) the costs to be included in the per diem rate calculation.

(c) At a minimum, the per diem rate must include compensation for:

- (i) direct costs, including budget expenditures directly attributable to confining inmates;
- (ii) indirect costs, including budget expenditures that are not directly associated with the confinement of

inmates but that are incurred to provide support services for the regional correctional facility;

- (iii) capital costs, including depreciation or a pro rata portion of capital costs incurred; and
- (iv) other costs that the department determines are necessary, including medical or transportation costs.
- (d) The department shall determine by rule the costs that are not allowable as part of a per diem rate.

Unallowable costs must include programs and services that do not have a direct benefit to persons confined in the regional correctional facility and depreciation for capital improvements paid for by the department and depreciation for equipment used in providing support services.

(e) A population factor must be included in the per diem rate to allow for accurate compensation based on the number of inmates confined in the regional correctional facility.

(f) The rules must provide for billing procedures and must allow for review of the per diem rate at least once each fiscal year. When reviewing the per diem rate, the department shall accept public comment that must be considered when the department is determining the accuracy of the per diem rate for the next fiscal year.

(4) For the biennium beginning July 1, 2017, the department may pay to a regional correctional facility no more than the rate it paid to that facility on December 6, 2016."

Section 16. Section 60-3-201, MCA, is amended to read:

"60-3-201. Distribution and use of proceeds of gasoline tax. (1) All money received in payment of the gasoline tax under 15-70-403, except those amounts paid out of the department's suspense account for gasoline tax refund, must be used and expended as provided in this section. The portion of that money on hand at any time that is needed to pay highway bonds and interest on highway bonds when due and to accumulate and maintain a reserve for payment of highway bonds and interest, as provided in laws and in resolutions of the state board of examiners authorizing the bonds, must be deposited in the highway bond account in the debt service fund established by 17-2-102. After deductions for amounts paid out of the suspense account for gasoline tax refunds, the remainder is allocated as follows:

- (a) 9/10 of 1% to the state park account;
- (b) 15/28 of 1% to a snowmobile account in the state special revenue fund;
- (c) 1/8 of 1% to an off-highway vehicle account in the state special revenue fund;
- (d) 1/25 of 1% to the aeronautics revenue fund of the department under the provisions of 67-1-301; and
- (e) 4 cents to the highway patrol administration state special revenue account established in [section

5]; and

~~(e)~~(f) the remaining amount:

- (i) for use by the department on the highways in this state selected and designated by the commission;
- (ii) for collection of the fuel taxes; and
- (iii) for ~~the enforcement of the Montana highway code~~ other authorized uses under Article VIII, section 6, of the constitution of this state except for the Montana highway patrol, and beginning July 1, 2018, for the department of justice motor vehicle division.

(2) The department shall, in expending this money, carry forward construction from year to year, using the money expended in accordance with this title. Nothing in this title conflicts with Title 23 of the United States Code and the rules by which it is administered.

(3) The department may enter into cooperative agreements with the national park service and the federal highway administration for the purpose of maintaining national park approach roads in Montana.

(4) Money credited to the state park account in the state special revenue fund may be used only for the creation, improvement, and maintenance of state parks where motorboating is allowed. The legislature finds that of all the fuel sold in the state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than 9/10 of 1% is used for propelling boats on waterways of this state.

(5) (a) Money credited to the snowmobile account may be used only to develop and maintain facilities open to the general public at no admission cost, to promote snowmobile safety, for enforcement purposes, and for the control of noxious weeds.

(b) Of the amounts deposited in the snowmobile account:

(i) 13% of the amount deposited must be used by the department of fish, wildlife, and parks to promote snowmobile safety and education and to enforce snowmobile laws. Two-thirds of the 13% deposited must be used to promote snowmobile safety and education and one-third of the 13% deposited must be used for the enforcement of snowmobile laws.

(ii) 1% of the amount deposited must be credited to the noxious weed management special revenue fund provided for in 80-7-816.

(c) The legislature finds that of all fuels sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than 15/28 of 1% is used for propelling registered snowmobiles in this state.

(6) (a) Money credited to the off-highway vehicle account under subsection (1)(c) may be used only to develop and maintain facilities open to the general public at no admission cost, to repair areas that are damaged by off-highway vehicles, and to promote off-highway vehicle safety. Ten percent of the money deposited in the off-highway vehicle account must be used to promote off-highway vehicle safety. Up to 10% of the money deposited in the off-highway vehicle account may be used to repair areas that are damaged by off-highway vehicles.

(b) The legislature finds that of all fuel sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than 1/8 of 1% is used for propelling off-highway vehicles in this state.

(7) Money credited to the aeronautics account of the department of transportation may be used only to develop, improve, and maintain facilities open to the public at no admission cost and to promote aviation safety. The legislature finds that of all the fuel sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than 1/25 of 1% is used for propelling aircraft in this state."

Section 17. Section 61-3-118, MCA, is amended to read:

"61-3-118. Motor vehicle electronic commerce operating account. (1) There is a motor vehicle electronic commerce operating account of the enterprise fund type as provided in 17-2-102.

(2) Fees A portion of the fees imposed for issuance of a temporary registration permit under 61-3-224 must be deposited in the account.

(3) The money in the motor vehicle electronic commerce operating account must be used by the department to pay costs directly incurred in the operation, maintenance, and enhancement of electronic commerce applications, including but not limited to payments to third-party vendors who provide services to support the applications."

Section 18. Section 61-3-224, MCA, is amended to read:

"61-3-224. Temporary registration permit -- authority to adopt rules -- issuance -- placement -- fees. (1) The department may adopt rules governing the issuance of temporary registration permits. The rules must specify the purposes for which a temporary registration permit may be issued, including but not limited to issuance to:

(a) a Montana resident who acquires a new or used motor vehicle, trailer, semitrailer, pole trailer, motorboat, sailboat that is 12 feet in length or longer, snowmobile, or off-highway vehicle for operation of the vehicle or vessel prior to titling and registration of the vehicle or vessel under this chapter;

(b) the owner of a salvage vehicle or a vehicle requiring a state-assigned vehicle identification number in order to move the vehicle to and from a designated inspection site prior to applying for a new certificate of title under 61-3-107 or 61-3-212;

(c) the owner of a motor vehicle, trailer, semitrailer, or pole trailer registered in this state for operation of the vehicle while awaiting production and receipt of special or duplicate license plates ordered for the vehicle under this chapter;

(d) a nonresident of this state who acquires a motor vehicle, trailer, semitrailer, or pole trailer in this state for operation of the vehicle prior to its titling and registration under the laws of the nonresident's jurisdiction of residence;

(e) a dealer licensed in another state who brings a motor vehicle or trailer designed and used to apply fertilizer to agricultural lands into the state for special demonstration in this state;

(f) a financial institution located in Montana for a prospective purchaser to demonstrate a motor vehicle that the financial institution has obtained following repossession;

(g) an insurer or its agent to move a motor vehicle or trailer to auction following acquisition of the vehicle by the insurer as a result of the settlement of an insurance claim; or

(h) a nonresident owner to temporarily operate a quadricycle or motorcycle designed for off-road recreational use on the highways of this state when the quadricycle or motorcycle designed for off-road recreational use is equipped for use on the highways as prescribed in chapter 9 but the quadricycle or motorcycle designed for off-road recreational use is not registered or is only registered for off-road use in the nonresident's home state.

(2) (a) The department, an authorized agent, or a county treasurer may issue a temporary registration permit for any purpose authorized under the rules adopted by the department.

(b) An authorized agent or a county treasurer may issue a temporary registration permit without use of the department-approved electronic interface only if authorized by the department.

(3) A person, using a department-approved electronic interface, may issue a temporary registration permit for any purpose authorized under the rules adopted by the department.

(4) A temporary registration permit issued under this section must contain the following information:

(a) a temporary plate number as prescribed by the department;

(b) the expiration date of the temporary registration permit; and

(c) if required by the department, a description of the motor vehicle, trailer, semitrailer, pole trailer, motorboat, personal watercraft, sailboat, or snowmobile, including year, make, model, and vehicle identification number, the name of the person from whom ownership of the motor vehicle, trailer, semitrailer, pole trailer, motorboat, personal watercraft, sailboat, or snowmobile was transferred, the name, mailing address, and residence address of the person to whom ownership of the motor vehicle, trailer, semitrailer, pole trailer, motorboat, personal watercraft, sailboat, or snowmobile has been transferred, and the date of issuance.

(5) A temporary registration permit for:

(a) a motor vehicle, trailer, semitrailer, or pole trailer must be plainly visible and firmly attached to the rear exterior of the vehicle where a license plate is required to be displayed; and

(b) a motorboat, a sailboat that is 12 feet in length or longer, a snowmobile, or an off-highway vehicle must be plainly visible and firmly attached to the vehicle or vessel.

(6) (a) Except as provided in 61-3-431 and subsection (6)(b) of this section, a ~~\$3~~ \$19.50 fee is imposed upon issuance of a temporary registration permit by the department, an authorized agent, or a county treasurer. The fee must be paid by the owner of the vehicle or vessel and collected by the department, the authorized agent, or a county treasurer when the ~~vehicle is registered~~ temporary registration permit is issued.

(b) Except as provided in 61-3-431, a fee of ~~\$8~~ \$24.50 is imposed and must be paid upon issuance of a temporary registration permit by:

(i) the department, an authorized agent, or a county treasurer to a nonresident of this state who acquires a vehicle or vessel in this state or who registers for temporary use in this state a quadricycle or motorcycle designed for off-road recreational use; or

(ii) a person who issued a temporary registration permit using a department-approved electronic interface.

(7) The fees imposed under this section, upon collection, must be forwarded to the state and deposited as follows:

(a) \$16.50 from each permit fee collected pursuant to subsection (6) in the state special revenue account established in 44-10-204; and

(b) the remainder in the motor vehicle electronic commerce operating account provided for in 61-3-118.

(8) If a temporary registration permit is issued under this section to a person to whom ownership of a vehicle or vessel has been transferred, the permitholder shall title and register the vehicle or vessel in this or another jurisdiction before the ownership of the vehicle or vessel may be transferred to another person."

Section 19. Section 61-3-321, MCA, is amended to read:

"61-3-321. Registration fees of vehicles and vessels -- certain vehicles exempt from registration fees -- disposition of fees. (1) Except as otherwise provided in this section, registration fees must be paid upon registration or, if applicable, renewal of registration of motor vehicles, snowmobiles, watercraft, trailers, semitrailers, and pole trailers as provided in subsections (2) through (20).

(2) ~~Unless (a) Except as provided in subsection (2)(b), unless~~ a light vehicle is permanently registered under 61-3-562, the annual registration fee for light vehicles, trucks and buses under 1 ton, and logging trucks less than 1 ton is as follows:

- ~~(a)(i)~~ if the vehicle is 4 or less years old, \$217;
- ~~(b)(ii)~~ if the vehicle is 5 through 10 years old, \$87; and
- ~~(c)(iii)~~ if the vehicle is 11 or more years old, \$28.

(b) For a light vehicle with a manufacturer's suggested retail price of more than \$150,000, the annual registration fee is:

- (i) for a vehicle less than 1 year old, 1% of the manufacturer's suggested retail price, plus \$217;
- (ii) for a vehicle between 1 and 2 years old, 0.9% of the manufacturer's suggested retail price, plus \$217;
- (iii) for a vehicle between 2 and 3 years old, 0.8% of the manufacturer's suggested retail price, plus \$217;

and

- (iv) for a vehicle older than 3 years, the same fee as provided in subsection (2)(a).

(3) Except as provided in subsection (15), the one-time registration fee based on the declared weight of a trailer, semitrailer, or pole trailer is as follows:

- (a) if the declared weight is less than 6,000 pounds, \$61.25; or
- (b) if the declared weight is 6,000 pounds or more, \$148.25.

(4) Except as provided in subsection (15), the one-time registration fee for motor vehicles owned and operated solely as collector's items pursuant to 61-3-411, based on the weight of the vehicle, is as follows:

- (a) 2,850 pounds and over, \$10; and

(b) under 2,850 pounds, \$5.

(5) Except as provided in subsection (15), the one-time registration fee for off-highway vehicles other than a quadricycle or motorcycle is \$61.25.

(6) The annual registration fee for heavy trucks, buses, and logging trucks in excess of 1 ton is \$22.75.

(7) (a) ~~The~~ Except as provided in subsection (7)(c), the annual registration fee for a motor home, based on the age of the motor home, is as follows:

- (i) less than 2 years old, \$282.50;
- (ii) 2 years old and less than 5 years old, \$224.25;
- (iii) 5 years old and less than 8 years old, \$132.50; and
- (iv) 8 years old and older, \$97.50.

(b) The owner of a motor home that is 11 years old or older and that is subject to the registration fee under this section may permanently register the motor home upon payment of:

- (i) a one-time registration fee of \$237.50;
- (ii) unless a new set of license plates is being issued, an insurance verification fee of \$5, which must be deposited in the account established under 61-6-158;
- (iii) if applicable, five times the renewal fees for personalized license plates under 61-3-406; and
- (iv) if applicable, the donation fee for a generic specialty license plate under 61-3-480 or a collegiate license plate under 61-3-465.

(c) For a motor home with a manufacturer's suggested retail price of more than \$150,000, the annual registration fee is:

- (i) for a motor home less than 1 year old, 1% of the manufacturer's suggested retail price, plus \$282.50;
- (ii) for a motor home between 1 and 2 years old, 0.9% of the manufacturer's suggested retail price, plus \$282.50;
- (iii) for a motor home between 2 and 3 years old, 0.8% of the manufacturer's suggested retail price, plus \$282.50; and
- (iv) for a motor home older than 3 years, the same fee as provided in subsection (7)(a).

(8) (a) Except as provided in subsection (15), the one-time registration fee for motorcycles and quadricycles registered for use on public highways is \$53.25, and the one-time registration fee for motorcycles and quadricycles registered for both off-road use and for use on the public highways is \$114.50.

(b) An additional fee of \$16 must be collected for the registration of each motorcycle or quadricycle as a safety fee, which must be deposited in the state motorcycle safety account provided for in 20-25-1002.

(9) Except as provided in subsection (15), the one-time registration fee for travel trailers, based on the length of the travel trailer, is as follows:

- (a) under 16 feet in length, \$72; and
- (b) 16 feet in length or longer, \$152.

(10) Except as provided in subsection (15), the one-time registration fee for a motorboat, sailboat, personal watercraft, or motorized pontoon required to be numbered under 23-2-512 is as follows:

- (a) for a personal watercraft or a motorboat, sailboat, or motorized pontoon less than 16 feet in length, \$65.50;
- (b) for a motorboat, sailboat, or motorized pontoon at least 16 feet in length but less than 19 feet in length, \$125.50; and
- (c) for a motorboat, sailboat, or motorized pontoon 19 feet in length or longer, \$295.50.

(11) (a) Except as provided in subsections (11)(b) and (15), the one-time registration fee for a snowmobile is \$60.50.

(b) (i) A snowmobile that is licensed by a Montana business and is owned exclusively for the purpose of daily rental to customers is assessed:

- (A) a fee of \$40.50 in the first year of registration; and
- (B) if the business reregisters the snowmobile for a second year, a fee of \$20.

(ii) If the business reregisters the snowmobile for a third year, the snowmobile must be permanently registered and the business is assessed the registration fee imposed in subsection (11)(a).

(12) (a) The one-time registration fee for a low-speed electric vehicle is \$25.

(b) The one-time registration fee for a golf cart that is owned by a person who has or is applying for a low-speed restricted driver's license is \$25.

(c) The one-time registration fee for golf carts authorized to operate on certain public streets and highways pursuant to 61-8-391 is \$25. Upon receipt of the fee, the department shall issue the owner a decal, which must be displayed visibly on the golf cart.

(13) (a) Except as provided in subsection (13)(b), a fee of \$10 must be collected when a new set of standard license plates, a new single standard license plate, or a replacement set of special license plates

required under 61-3-332 is issued. The \$10 fee imposed under this subsection does not apply when previously issued license plates are transferred under 61-3-335. All registration fees imposed under this section must be paid if the vehicle to which the plates are transferred is not currently registered.

(b) An additional fee of \$15 must be collected if a vehicle owner elects to keep the same license plate number from license plates issued before January 1, 2010, when replacement of those plates is required under 61-3-332(3).

(c) The fees imposed in this subsection (13) must be deposited in the account established under 61-6-158, except that \$2 of the fee imposed in subsection (13)(a) must be deposited in the state general fund.

(14) 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, snowmobiles, watercraft, 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, or to a vehicle or vessel that meets the description of property exempt from taxation under 15-6-201(1)(a), (1)(d), (1)(e), (1)(g), (1)(h), (1)(i), (1)(k), (1)(l), (1)(n), or (1)(o), 15-6-203, or 15-6-215, except as provided in 61-3-520.

(15) Whenever ownership of a trailer, semitrailer, pole trailer, off-highway vehicle, motorcycle, quadricycle, travel trailer, motor home, motorboat, sailboat, personal watercraft, motorized pontoon, snowmobile, motor vehicle owned and operated solely as a collector's item pursuant to 61-3-411, or low-speed electric vehicle is transferred, the new owner shall title and register the vehicle or vessel as required by this chapter and pay the fees imposed under this section.

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

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

(18) The fees imposed by subsections (2) through (12) are not required to be paid by a dealer for the enumerated vehicles or vessels that constitute inventory of the dealership.

(19) (a) Unless a person exercises the option in either subsection (19)(b) or (19)(c), an additional fee of \$6 must be collected for each light vehicle registered under this part. This fee must be accounted for and transmitted separately from the registration fee. The fee must be deposited in an account in the state special revenue fund to be used for state parks, for fishing access sites, and for the operation of state-owned facilities. Of the \$6 fee, the department of fish, wildlife, and parks shall use \$5.37 for state parks, 25 cents for fishing access sites, and 38 cents for the operation of state-owned facilities at Virginia City and Nevada City.

(b) A person who registers a light vehicle may, at the time of annual registration, certify that the person does not intend to use the vehicle to visit state parks and fishing access sites and may make a written election not to pay the additional \$6 fee provided for in subsection (19)(a). If a written election is made, the fee may not be collected.

(c) (i) A person who registers one or more light vehicles may, at the time of annual registration, certify that the person does not intend to use any of the vehicles to visit state parks and fishing access sites and may make a written election not to pay the additional \$6 fee provided for in subsection (19)(a). If a written election is made, the fee may not be collected at any subsequent annual registration unless the person makes the written election to pay the additional fee on one or more of the light vehicles.

(ii) The written election not to pay the additional fee on a light vehicle expires if the vehicle is registered to a different person.

(20) For each light vehicle, trailer, semitrailer, pole trailer, heavy truck, motor home, motorcycle, quadricycle, and travel trailer subject to a registration fee under this section, an additional fee of \$5 must be collected and forwarded to the state for deposit in the account established in 44-1-504.

(21) This section does not apply to a motor vehicle, trailer, semitrailer, or pole trailer that is governed by 61-3-721.

(22) (a) The amount collected based on the manufacturer's suggested retail price in subsections (2) and (7) is exempt from the provisions of 15-1-122 and must be deposited in the account established in [section 4].

(b) By August 15 of each year, beginning in the fiscal year beginning July 1, 2019, the department of justice must deposit into the general fund an amount equal to the fiscal yearend balance minus 25% of the current fiscal year appropriation for the account established in [section 4]."

Section 20. Section 61-6-158, MCA, is amended to read:

"61-6-158. Vehicle insurance verification and license plate operating account. (1) There is a vehicle insurance verification and license plate operating account in the state special revenue fund type as provided in 17-2-102.

(2) Fees imposed under 61-3-321(7)(b)(ii) and (13), 61-3-333, 61-3-465(1)(b)(i), 61-3-480(2)(c)(i), or 61-3-562(1)(a)(ii) or established and collected under 61-6-105 must be deposited in the account.

(3) The money in the vehicle insurance verification and license plate operating account must be used

by the department to pay costs incurred in or associated with the operation, maintenance, and enhancement of the system established under 61-6-157 and the contract required in 61-3-338 for the manufacture and distribution of license plates by Montana correctional enterprises or other costs incurred by the department or as otherwise appropriated by the legislature to the department."

Section 21. Appointment protocols -- transfer of spending authorization. (1) The office of court administrator and the office of state public defender shall work together to develop mutually agreeable protocols for when a public defender is appointed and participates in treatment courts operated by the judicial branch. The protocols must be developed and agreed to by both offices by December 31, 2017.

(2) It is the intent of the legislature that if House Bill No. 77 is passed and approved and provides for an executive director, the office of state public defender shall pay the executive director's salary and benefits for the biennium beginning July 1, 2017.

Section 22. Transition -- implementation procedure. (1) Except as provided in subsections (2) and (3), the provisions of 2-15-131 through 2-15-137 govern the transfer of the board of crime control and the board's functions from the department of justice to the department of corrections.

(2) The department of corrections shall provide staff and support services to the board of crime control. The board of crime control, in conjunction with the department of corrections, may eliminate positions as the board determines to be necessary, subject to the provisions of 2-15-131.

(3) The department of corrections and the board of crime control shall continue to be colocated in office space leased by the department.

Section 23. Appropriation of state special revenue funds. For the fiscal year beginning July 1, 2018, any appropriation to the department of justice of state special revenue funds from the highway state special revenue fund as previously authorized pursuant to 60-3-201 and House Bill No. 2 must be paid from the accounts established in [sections 4 and 5], including appropriations to the motor vehicle division, information technology services division, and the central services division.

Section 24. Repealer. The following sections of the Montana Code Annotated are repealed:

- 53-30-401. Definitions.
- 53-30-402. Completion of boot camp -- suspension of sentence.
- 53-30-403. Boot camp incarceration program -- eligibility -- rulemaking.

Section 25. Codification instruction -- directions to code commissioner. (1) [Section 2] is intended to be codified as an integral part of Title 46, chapter 4, and the provisions of Title 46, chapter 4, apply to [section 2].

(2) [Sections 3 and 4] are intended to be codified as an integral part of Title 61, chapter 3, and the provisions of Title 61, chapter 3, apply to [sections 3 and 4].

(3) [Section 5] is intended to be codified as an integral part of Title 44, chapter 1, and the provisions of Title 44, chapter 1, apply to [section 5].

(4) (a) (i) Section 2-15-2006 is intended to be renumbered and codified as an integral part of Title 2, chapter 15, part 23.

(ii) The code commissioner is instructed to renumber sections in Title 44, chapter 4, part 3, into a new chapter in Title 44.

(b) The code commissioner is instructed to change internal references within and to the renumbered sections enacted or amended by the 65th legislature, to reflect the new section numbers assigned to sections pursuant to this section.

(c) Any enactment, including an enactment of the 65th legislature, that requires that a section be codified in Title 44, chapter 4, part 3, and that is recodified pursuant to this section is intended to be codified as an integral part of the recodified part, and the provisions of the newly recodified part apply to the recodified section.

Section 26. Coordination instruction. (1) If both House Bill No. 5 and [this act] are passed and approved and House Bill No. 5 does not contain an appropriation to the department of justice for capital projects at the Montana law enforcement academy, the transfer in [section 1(2)] is void.

(2) If both House Bill No. 473 and [this act] are passed and approved, then [section 3 of this act] is replaced with the following language:

"Section 3. Motor vehicle division administrative fees. The motor vehicle division of the department shall charge, impose, and collect a 3% administrative fee on all fees charged under 23-2-809, 23-2-617, and this

title to be deposited into the motor vehicle division administration account established in [section 4 of this act]."

Section 27. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved, [section 1 of House Bill No. 473] must be amended as follows:

"NEW SECTION. Section 1. Highway restricted account. (1) There is a highway restricted account in the state special revenue fund provided for in 17-2-102. All interest and income earned on the account must, in accordance with the provisions of 17-2-124, be deposited to the credit of the account and any unexpended balance in the account must remain in the account.

(2) Subject to subsection (4) and 15-70-403(2), all revenue sources provided for in Article VIII, section 6, of the Montana constitution must be deposited in the account, including but not limited to:

- (a) all taxes collected under this chapter except as provided in 15-70-403(2)(b);
- (b) taxes collected for improperly imported fuel as provided in 15-70-419;
- (c) fees collected for temporary special fuel permits as provided in 15-70-456; and
- (d) GVW license fees as provided in 61-10-225 and 61-10-226.

(3) Except as provided in subsection (5), the money in the account is restricted and may be used only for the purpose of providing funding:

- (a) for statutory refunds and adjustments;
- (b) for debt service on highway revenue bonds;
- (c) to the department for distribution to local governments as provided in 15-70-101;
- (d) to the department for railroad grade crossing protection as provided in 15-70-102;
- ~~(e)~~ to the department of justice for expenses of the highway patrol as provided in 44-1-501;
- ~~(f)~~(e) until June 30, 2018, to the department of justice for expenses of the motor vehicle division;
- ~~(g)~~(f) for gasoline tax allocations as provided in 60-3-201;
- ~~(h)~~(g) to the department for administration of the motor carrier services functions;
- ~~(i)~~(h) to the department for the highways in this state selected and designated by the transportation commission provided for in 2-15-2502;
- ~~(j)~~(i) to the department for the collection of fuel taxes;
- ~~(k)~~(j) for driver education, which may not exceed \$10,000; and
- ~~(l)~~(k) for tourist promotion, which may not exceed \$10,000.

(4) (a) The portion of money collected from all revenue sources provided for in Article VIII, section 6, of the Montana constitution on hand at any time that is needed to pay highway bonds and interest on highway bonds when due and to accumulate and maintain a reserve for payment of highway bonds and interest, as provided in laws and in resolutions of the state board of examiners authorizing the bonds, must be deposited in the highway bond account in the debt service fund established by 17-2-102.

(b) The department is authorized to maintain a suspense account for gasoline and special fuel tax refunds and adjustments.

(5) The money in the account may be appropriated for purposes other than those listed in subsection (3) by a three-fifths vote of the members of each house of the legislature.

Section 28. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved:

"(1) the reference to 15-70-403(2)(b) in [section 2(1) of House Bill No. 473] must be changed to "15-70-403(2)(c) and (3)(c)"; and

(2) the reference to 15-70-403(2)(b) in [section 1(2)(a) of House Bill No. 473] must be changed to "15-70-403(2)(b), (2)(c), (3)(b), and (3)(c)."

Section 29. Coordination instruction. If House bill No. 473 and [this act] are passed and approved, the reference to 15-70-403(2)(b)(i) in [section 5(3) of House Bill No. 473] must be changed to "15-70-403(2)(c)".

Section 30. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved and if both contain a section that amends 15-70-403, then the sections amending 15-70-403 are void and 15-70-403 must be amended as follows:

"15-70-403. Gasoline and special fuel tax -- incidence -- rates. (1) The incidence of the fuel tax is on the distributor for the privilege of engaging in and carrying on business in this state. Each distributor shall pay to the department of transportation a tax in an amount equal to:

(a) ~~27 cents~~ for each gallon of gasoline distributed by the distributor within the state and upon which the gasoline tax has not been paid by any other distributor;

(i) 31.5 cents in fiscal years 2018 and 2019;

(ii) 32 cents in fiscal years 2020 and 2021;

(iii) 32.5 cents in fiscal year 2022; and

(iv) 33 cents in fiscal year 2023 and thereafter;

(b) ~~27 3/4 cents~~ for each gallon of special fuel distributed by the distributor within the state and on which the special fuel tax has not been paid by any other distributor;

(i) 29.25 cents in fiscal years 2018 and 2019;

(ii) 29.45 cents in fiscal years 2020 and 2021;

(iii) 29.55 cents in fiscal year 2022; and

(iv) 29.75 cents in fiscal year 2023 and thereafter; and

(c) 4 cents for each gallon of aviation fuel, other than fuel sold to the federal defense fuel supply center, which is allocated to the department as provided by 67-1-301.

(2) The gasoline tax provided for in subsection (1)(a) must be deposited as follows:

(a) the revenue from 23 cents of the tax less the allocations provided for in 60-3-201(1)(a) through (1)(d) to the highway restricted account provided for in [section 1 of House Bill No. 473];

(b) the revenue from 4 cents of the tax less the allocations provided for in 60-3-201(1)(a) through (1)(d) to the highway patrol administration state special revenue account established in [section 5 of House Bill No. 650]; and

(c) the remaining revenue from the tax less the allocations provided for in 60-3-201(1)(a) through (1)(d) to the bridge and road safety and accountability restricted account provided for in [section 2 of House Bill No. 473].

(3) The special fuel tax provided for in subsection (1)(b) must be deposited as follows:

(a) the revenue from 23 3/4 cents of the tax to the highway restricted account provided for in [section 1 of House Bill No. 473];

(b) the revenue from 4 cents of the tax to the highway patrol administration state special revenue account established in [section 5 of House Bill No. 650]; and

(c) the remaining revenue from the tax to the bridge and road safety and accountability restricted account provided for in [section 2 of House Bill No. 473].

~~(2)~~(4) Gasoline or special fuel may not be included in the measure of the distributor's tax if it is sold for export unless the distributor is not licensed and is not paying the tax to the state where the fuel is destined.

~~(3)~~(5) Special fuel may not be included in the measure of the distributor's tax if it is dyed by injector at

a refinery or terminal for off-highway use.

~~(4)~~(6) When no Montana fuel tax has been paid by a distributor or any other person, the department shall collect or cause to be collected from the owners or operators of motor vehicles operating on the public roads and highways of this state a tax equal to the tax rate provided for in subsection (1)(a) for gasoline and subsection (1)(b) for dyed or undyed special fuel. The tax must be paid for each gallon of gasoline or special fuel as defined in this part, or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test sold or used to produce motor power to operate motor vehicles on the public roads and highways of this state.

~~(5)~~(7) The tax may not be imposed on dyed special fuel delivered into the fuel supply tank of a vehicle that is equipped with a feed delivery box if:

- (a) the feed delivery box is permanently affixed to the vehicle;
- (b) the vehicle is used exclusively for the feeding of livestock; and
- (c) the gross vehicle weight of the vehicle, exclusive of any towed units, is greater than 12,000 pounds.

~~(6)~~(8) All special fuel or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test sold or used in motor vehicles, motorized equipment, and the internal combustion of any engines, including stationary engines, and used in connection with any work performed under any contracts pertaining to the construction, reconstruction, or improvement of a highway or street and its appurtenances awarded by any public agencies, including federal, state, county, municipal, or other political subdivisions, must be undyed fuel on which Montana fuel tax has been paid.

~~(7)~~(9) Material used for construction, reconstruction, or improvement in connection with work performed under a contract as provided in subsection ~~(6)~~ (8) must be produced using fuel on which Montana fuel tax has been paid."

Section 31. Coordination instruction. If House bill No. 473 and [this act] are passed and approved, the reference to 15-70-403(5) in [section 9(2) of House Bill No. 473] must be changed to "15-70-403(6)".

Section 32. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved and if both include a section that amends 44-1-501, then [section 14 of House Bill No. 473], amending 44-1-501, is void.

Section 33. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved and if both contain a section that amends 60-3-201, then the sections amending 60-3-201 are void and 60-3-201 must be amended as follows:

"60-3-201. Distribution and use of proceeds of gasoline tax. (1) ~~All money~~ Money received in payment of the gasoline tax under 15-70-403, except those amounts paid out of the department's suspense account for gasoline tax refund, must be deposited as provided in 15-70-403(2) and (3) and used and expended as provided in [sections 1 and 2 of House Bill No. 473] and this section. ~~The portion of that money on hand at any time that is needed to pay highway bonds and interest on highway bonds when due and to accumulate and maintain a reserve for payment of highway bonds and interest, as provided in laws and in resolutions of the state board of examiners authorizing the bonds, must be deposited in the highway bond account in the debt service fund established by 17-2-102.~~ After deductions for amounts paid out of the suspense account for gasoline tax refunds, the remainder of the gasoline tax collected under 15-70-403 is allocated as follows:

- (a) 9/10 of 1% to the state park account;
- (b) 15/28 of 1% to a snowmobile account in the state special revenue fund;
- (c) 1/8 of 1% to an off-highway vehicle account in the state special revenue fund;
- (d) 1/25 of 1% to the aeronautics revenue fund of the department under the provisions of 67-1-301; and
- (e) the remaining amount:
 - ~~—— (i) for use by the department on the highways in this state selected and designated by the commission;~~
 - ~~—— (ii) for collection of the fuel taxes; and~~
 - ~~—— (iii) for the enforcement of the Montana highway code under Article VIII, section 6, of the constitution of this state as provided for in [sections 1 and 2 of House Bill No. 473].~~

(2) The department shall, in expending this money, carry forward construction from year to year, using the money expended in accordance with this title. Nothing in this title conflicts with Title 23 of the United States Code and the rules by which it is administered.

(3) The department may enter into cooperative agreements with the national park service and the federal highway administration for the purpose of maintaining national park approach roads in Montana.

(4) Money credited to the state park account in the state special revenue fund may be used only for the creation, improvement, and maintenance of state parks where motorboating is allowed. The legislature finds that

of all the fuel sold in the state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than $\frac{9}{10}$ of 1% is used for propelling boats on waterways of this state.

(5) (a) Money credited to the snowmobile account may be used only to develop and maintain facilities open to the general public at no admission cost, to promote snowmobile safety, for enforcement purposes, and for the control of noxious weeds.

(b) Of the amounts deposited in the snowmobile account:

(i) 13% of the amount deposited must be used by the department of fish, wildlife, and parks to promote snowmobile safety and education and to enforce snowmobile laws. Two-thirds of the 13% deposited must be used to promote snowmobile safety and education and one-third of the 13% deposited must be used for the enforcement of snowmobile laws.

(ii) 1% of the amount deposited must be credited to the noxious weed management special revenue fund provided for in 80-7-816.

(c) The legislature finds that of all fuels sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than $\frac{15}{28}$ of 1% is used for propelling registered snowmobiles in this state.

(6) (a) Money credited to the off-highway vehicle account under subsection (1)(c) may be used only to develop and maintain facilities open to the general public at no admission cost, to repair areas that are damaged by off-highway vehicles, and to promote off-highway vehicle safety. Ten percent of the money deposited in the off-highway vehicle account must be used to promote off-highway vehicle safety. Up to 10% of the money deposited in the off-highway vehicle account may be used to repair areas that are damaged by off-highway vehicles.

(b) The legislature finds that of all fuel sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than $\frac{1}{8}$ of 1% is used for propelling off-highway vehicles in this state.

(7) Money credited to the aeronautics account of the department of transportation may be used only to develop, improve, and maintain facilities open to the public at no admission cost and to promote aviation safety. The legislature finds that of all the fuel sold in this state for consumption in internal combustion engines, except fuel for which refunds have been made, not less than $\frac{1}{25}$ of 1% is used for propelling aircraft in this state."

Section 34. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved, then [section 3(2) of House Bill No. 650] must read

"(2) a 6.6% administrative fee to be deposited in the state special revenue account provided for in [section 1 of House Bill No. 473]".

Section 35. Coordination instruction. If House Bill No. 473 and [this act] are passed and approved, the reference to 15-70-403(8) and 60-3-201(1)(e) in [section 5(2) of this act] must read "15-70-403(2)(b) and (2)(c)".

Section 36. Coordination instruction. If both Senate Bill No. 59 and [this act] are passed and approved and [this act] includes language that eliminates the position of executive director of the board of crime control, then [section 3(1)(f) of Senate Bill No. 59] is void and [section 3(1)(d) of Senate Bill No. 59] must read as follows:

"(d) two employees of the department of corrections selected by the director, one of whom must have expertise in data collection and reporting;"

Section 37. Saving clause. [Sections 7, 11, and 22] do not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

Section 38. Severability. If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 39. Effective dates. (1) Except as provided in subsections (2) and (3), [this act] is effective July 1, 2017.

(2) [Sections 3, 7, 11, 19, and 22] are effective January 1, 2018.

(3) [Section 36] and this section are effective on passage and approval.

- END -

I hereby certify that the within bill,
HB 0650, originated in the House.

Speaker of the House

Signed this _____ day
of _____, 2017.

Chief Clerk of the House

President of the Senate

Signed this _____ day
of _____, 2017.

HOUSE BILL NO. 650

INTRODUCED BY R. BRODEHL, K. DUDIK, R. LYNCH, R. OSMUNDSON, J. PATELIS, C. WOLKEN

AN ACT AUTHORIZING TRANSFERS AND FEES AND OTHER NECESSARY MEASURES TO IMPLEMENT THE GENERAL APPROPRIATIONS ACT RELATING TO MOTOR VEHICLES AND CORRECTIONS; CREATING AND INCREASING FEE PAYMENTS RELATED TO THE MOTOR VEHICLE DIVISION; CREATING STATE SPECIAL REVENUE ACCOUNTS AND ALLOCATING PAYMENTS OF FEES TO THE ACCOUNTS; REPEALING THE BOOT CAMP INCARCERATION PROGRAM; SETTING A MAXIMUM PAYMENT TO REGIONAL CORRECTIONS FACILITIES FOR THE BIENNIUM BEGINNING JULY 1, 2017; INCREASING FEE PAYMENTS FOR ISSUANCE OF TEMPORARY REGISTRATION PERMITS; EXPANDING THE USE OF THE VEHICLE INSURANCE VERIFICATION AND LICENSE PLATE OPERATING ACCOUNT; REQUIRING THE JUDICIAL BRANCH AND THE OFFICE OF STATE PUBLIC DEFENDER TO DEVELOP PROTOCOLS FOR THE APPOINTMENT OF COUNSEL IN TREATMENT COURTS; TRANSFERRING THE BOARD OF CRIME CONTROL AND ITS FUNCTIONS FROM THE DEPARTMENT OF JUSTICE TO THE DEPARTMENT OF CORRECTIONS; REDUCING THE SIZE OF THE BOARD AND ELIMINATING THE EXECUTIVE DIRECTOR POSITION OF THE BOARD OF CRIME CONTROL; AMENDING SECTIONS 2-15-2006, 3-1-318, 15-70-403, 44-1-501, 44-4-313, 46-18-201, 53-1-202, 53-30-134, 53-30-507, 60-3-201, 61-3-118, 61-3-224, 61-3-321, AND 61-6-158, MCA; REPEALING SECTIONS 53-30-401, 53-30-402, AND 53-30-403, MCA; AND PROVIDING EFFECTIVE DATES.