



## Revenue and Transportation Interim Committee

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### 60th Montana Legislature

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February 8, 2008

TO: Revenue and Transportation Interim Committee  
FROM: Lee Heiman, Staff Attorney  
RE: Bill Draft to Clarify Distribution of Certain Motor Vehicle Revenue

House Bill No. 737, 2007 Session, introduced by Representative Hilbert, was an act generally revising motor vehicle laws. The bill had 61 sections and was enacted as Chapter 329, Laws of 2007. In the amendment of section 15-1-122, MCA, there was a mistake made in the formula for distribution of funds to the adoption services account provided for in 42-2-105, MCA, and to the Department of Transportation. Subsections (1) and (2) of 15-1-122, MCA, were amended as follows:

(1) There is transferred from the state general fund to the adoption services account, provided for in 42-2-105, a base amount of \$36,764 for fiscal year 2003. Beginning with fiscal year 2004, and the amount of the transfer must be increased by 10% in each succeeding fiscal year.

(2) There is transferred from the state general fund to the department of transportation state special revenue nonrestricted account ~~the following amounts:~~

(a) a base amount of \$3,050,205 in fiscal year 2006; and

(b) ~~in each succeeding fiscal year, the amount in subsection (2)(a),~~ increased by 1.5% in each succeeding fiscal year.

The "base amounts" specified in (1) and (2) should have been the dollar amount for the fiscal year ending June 30, 2006. The act became effective January 1, 2007, so the Department of Administration used the amount for the fiscal year beginning on July 1, 2006, under the unamended section effective for the first half of the fiscal year. For the rest of the fiscal year and for the fiscal year beginning July 1, 2007, however, the Department had to use the base amount amended into the section. The fund and the Department of Transportation will receive less than the distribution should have been and the shortfall should be made up with a supplementary appropriation.

A bill draft to correct the problem would insert the correct base amounts and be effective for the fiscal year beginning July 1, 2009. To correct the reduced distribution, the bill should have an immediate effective date and provide a supplemental appropriation. There is no additional expense because the distribution would have been the same amount had House Bill No. 737 been drafted correctly.

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