

MPMCSA-LEGISLATIVE BULLETIN

1/20/2013

After a rather slow start the 63rd Legislative Session geared up this last week to begin the Session-long budgeting process with unanimous approval by the Joint Appropriations Committee to adopt a baseline budget that uses last biennium's budget as a starting point, instead of the customary practice of a "present law base," which automatically adjusts the base budget for such things as unanticipated demand for services, inflation, and the elimination of nonrecurring appropriations. The baseline budgeting sets the stage for a more frugal approach to the Legislature's budgeting process in a time when the state has a projected \$475 million surplus. With so many high-dollar ideas on the table (the employee pay plan, property tax relief, construction bonding, public employee pension liability, and potential Medicaid expansion) the baseline approach could enable the Legislature and the Governor to better prioritize the state's needs & wants.

Another driver of the session is the oil and gas boom in eastern Montana which presents both opportunities and challenges for policymakers. A lot of attention will be paid to helping boom areas catch up with pressing infrastructure needs. One idea on the table is to create an oil and gas trust fund that local governments can tap into for new roads, water and wastewater systems, schools, and other infrastructure needs. (The rumors regarding local option fuel taxes have so far been just that...). The boom also is generating a windfall of revenue that some policymakers think could serve as funding for long-term property tax relief and an overhaul of Montana's education funding system. Of course, eastern Montana legislators will be pushing their colleagues to adopt a revenue sharing agreement that helps their constituents keep up with the impacts of burgeoning oil and gas development.

IMPORTANT DATE

Please put this date on your calendar – March 12th, Helena Legislative Session

The Association will again host a legislative reception in Helena at the Montana City Grill – 5:30 p.m.- 8:30 p.m. In the past the event has been well attended by legislators so it's important that we have as many members there as possible. A block of rooms will be reserved at the Colonial Hotel for those who wish to spend the evening. We will also plan for a trip up to the Capitol either the day of or morning after or...both. Stay tuned for more details.

RETAILER COLLECTION OF 911 FEES

A bill is being proposed that will require retailers to collect 911 fees of prepaid mobile phones & phone cards and remit the fees to the Department of Revenue. The draft states that retailers could retain 5% of the fees as a collection allowance. Approximately 24 states have adopted some type of legislation as is being proposed. Please respond and let us know if you offer prepaid mobile phones and cards in your stores and how this might impact you. It would appear the Retail Association is going to oppose the bill.

SENATE BILL 116

Senate Bill 116 by Senator Ron Arthun-Wilsaw repeals the controversial legislation passed by the MT Contractors Association in 2009 that requires small contractors to secure a temporary special fuel permit and file a \$500 bond. The legislation in fact, repeals the temporary permits in total unless the vehicle (over 26,000 lbs. gvw) is not covered under the International Fuel Tax Agreement. The Association is monitoring the bill.

VOTER VOICE

Please be advised that the Association has purchased a communications system for the legislative session that will allow our members to easily and quickly direct messages to their elected officials. You will receive a separate Email soon on how to use the program with the links to the website. It is a great system! Stay tuned.

REGULATORY

As a follow-up to the bulletin sent in October regarding a repeal of the section of rule under 17.56.201- Performance Standards For New UST Systems – the requirement for cathodic protection on vent lines & fill lines; be advised that the DEQ is moving forward with that change. The formal rule change will not be filed with the Secretary of State until May however, the Department has met with us and assured us that they are treating the situation as though the rule change has been made. Distributors – please feel free to pass that along to your customers who may not receive our bulletins.

If there are any other legislative proposals that you are interested in, please contact us.

Submitted by;

Ronna Alexander, Executive Director