SENATE BILL NO. 456

INTRODUCED BY YELLOWTAIL, BLAYLOCK, RUSSELL BY REQUEST OF THE SENATE COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

IN THE SENATE

FEBRUARY 21, 1991 ON MOTION, RULES SUSPENDED TO ALLOW INTRODUCTION OF BILL.

FEBRUARY 22, 1991 INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

FEBRUARY 23, 1991 COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 25, 1991

FEBRUARY 26, 1991

SECOND READING, DO PASS.

PRINTING REPORT.

ENGROSSING REPORT.

THIRD READING, PASSED. AYES, 47; NOES, 2.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 4, 1991

APRIL 2, 1991

APRIL 6, 1991

INTRODUCED AND REFERRED TO COMMITTEE ON EDUCATION & CULTURAL RESOURCES.

FIRST READING.

COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

ON MOTION, RULES SUSPENDED. BILL PLACED ON THIRD READING THIS DAY.

THIRD READING, CONCURRED IN. AYES, 82; NOES, 13.

RETURNED TO SENATE WITH AMENDMENTS.

IN THE SENATE

APRIL 17, 1991

RECEIVED FROM HOUSE.

SECOND READING, AMENDMENTS CONCURRED IN.

APRIL 18, 1991

THIRD READING, AMENDMENTS CONCURRED IN.

APRIL 19, 1991

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

LC 2038/01

LC 2038/01

Sente BILL NO. 456 1 INTRODUCED BY 2 BY REQUEST OF THE SENATE COMMITTEE 3 ON EDUCATION AND CULTURAL RESOURCES Δ 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE THE 6 LIMITATION ON SCHOOL DISTRICT TRUSTEES FOR THE ISSUANCE OF 7 SHORT-TERM OBLIGATIONS TO THE BOARD OF INVESTMENTS: AMENDING 8 SECTION 20-9-471, MCA: AND PROVIDING AN IMMEDIATE EFFECTIVE 9 DATE." 10 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 13 Section 1. Section 20-9-471, MCA, is amended to read: 14 "20-9-471. Issuance of short-term obligations --15 authorization -- conditions. (1) The trustees of a school 16 district may, without a vote of the electors of the 17 district, issue and sell to the board of investments short-term obligations for the purpose of financing all or a 18 portion of: 19 20 (a) the costs of vehicles and equipment; 21 (b) the costs associated with renovating, 22 rehabilitating, and remodeling facilities, including but not 23 limited to roof repairs, heating, plumbing, and electrical 24 systems; (c) any other capital expenditure the district is 25

otherwise authorized to make, subject to subsection (4); and
 (d) the costs associated with the issuance and sale of
 the short-term obligations.

4 (2) The term of the short-term obligation may not5 exceed 5 full fiscal years.

6 (3) At the time of issuing the obligation, there must 7 exist an amount in the budget for the current fiscal year 8 available and sufficient to make the debt service payment on 9 the obligation coming due in the current year. The budget 10 for each following year in which any portion of the 11 principal of and interest on the obligation is due must 12 provide for payment of such principal and interest.

13 (4) The proceeds of the short-term obligation may not14 be used to acquire real property or construct a facility.

15 (5) An obligation issued is payable from any legally
16 available fund of the district and constitutes a general
17 obligation of the district.

18 (6) The obligation may bear interest at a fixed or 19 variable rate and may be sold to the board of investments at 20 par, at a discount or with a premium, and upon any other 21 terms and conditions that the trustees determine to be in 22 the best interests of the district.

(7) The principal amount of the short-term obligation,
when added to the outstanding bonded indebtedness of the
district, may not exceed the debt limitation established in

-2-

INTRODUCED BILL SB 456 LC 2038/01

- 1 20-9-406."
- 2 NEW SECTION. Section 2. Effective date. [This act] is
- 3 effective on passage and approval.

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SB 0456/02 APPROVED BY COMM. ON EDUCATION AND CULTURAL RESOURCES

1.	SENATE BILL NO. 456	1	otherwise authorized to make, subject to subsection (4),
2	INTRODUCED BY YELLOWTAIL, BLAYLOCK, RUSSELL	2	INCLUDING THE PAYMENT OF SETTLEMENTS OF LEGAL CLAIMS,
3	BY REQUEST OF THE SENATE COMMITTEE	3	JUDGMENTS, OR, WITH THE APPROVAL OF THE BOARD OF PUBLIC
4	ON EDUCATION AND CULTURAL RESOURCES	4	EDUCATION ON RECOMMENDATION OF THE OFFICE OF PUBLIC
5		5	INSTRUCTION, THE RETIREMENT OF LAWFULLY ISSUED REGISTERED
6	A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE THE	6	WARRANTS; and
7	LIMITATION ON SCHOOL DISTRICT TRUSTEES FOR THE ISSUANCE OF	7	(d) the costs associated with the issuance and sale of
8	SHORT-TERM OBLIGATIONS TO THE BOARD OF INVESTMENTS; AMENDING	8	the short-term obligations.
9	SECTION 20-9-471, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE	9	(2) The term of the short-term obligation may not
10	DATE."	10	exceed 5 full fiscal years.
11		11	(3) At the time of issuing the obligation, there must
1, 2	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	exist an amount in the budget for the current fiscal year
13	Section 1. Section 20-9-471, MCA, is amended to read:	13	available and sufficient to make the debt service payment or
14	"20-9-471. Issuance of short-term obligations	14	the obligation coming due in the current year. The budget
15	authorization conditions. (1) The trustees of a school	15	for each following year in which any portion of the
16	district may, without a vote of the electors of the	16	principal of and interest on the obligation is due must
17	district, issue and sell to the board of investments	17	provide for payment of such principal and interest.
18	short-term obligations for the purpose of financing all or a	18	(4) The proceeds of the short-term obligation may not
19	portion of:	19	be used to acquire real property or construct a facility.
20	(a) the costs of vehicles and equipment;	20	(5) An obligation issued is payable from any legally
21	(b) the costs associated with renovating,	21	available fund of the district and constitutes a general
22	rehabilitating, and remodeling facilities, including but not	22	obligation of the district.
23	limited to roof repairs, heating, plumbing, and electrical	23	(6) The obligation may bear interest at a fixed o
24	systems;	24	variable rate and may be sold to the board of investments a
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Montana Legislative Council

(c) any other capital expenditure the district is

on may bear interest at a fixed or be sold to the board of investments at 25 par, at a discount or with a premium, and upon any other

SB 0456 -2-SECOND READING

terms and conditions that the trustees determine to be in
 the best interests of the district.

3 (7) The principal amount of the short-term obligation, 4 when added to the outstanding bonded indebtedness of the 5 district, may not exceed the debt limitation established in 6 20-9-406."

7 <u>NEW SECTION.</u> Section 2. Effective date. [This act] is
8 effective on passage and approval.

SB 0456/02

1	SENATE BILL NO. 456	1	otherwise authorized to make, subject to subsection (4),
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4	ON EDUCATION AND CULTURAL RESOURCES	4	EDUCATION ON RECOMMENDATION OF THE OFFICE OF PUBLIC
5		5	INSTRUCTION, THE RETIREMENT OF LAWFULLY ISSUED REGISTERED
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7	LIMITATION ON SCHOOL DISTRICT TRUSTEES FOR THE ISSUANCE OF	7	(d) the costs associated with the issuance and sale of
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9	SECTION 20-9-471, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE	9	(2) The term of the short-term obligation may not
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14	"20-9-471. Issuance of short-term obligations	14	the obligation coming due in the current year. The budget
15	authorization conditions. (1) The trustees of a school	15	for each following year in which any portion of the
16	district may, without a vote of the electors of the	16	principal of and interest on the obligation is due must
17	district, issue and sell to the board of investments	17	provide for payment of such principal and interest.
18	short-term obligations for the purpose of financing all or a	18	(4) The proceeds of the short-term obligation may not
19	portion of:	19	be used to acquire real property or construct a facility.
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23	limited to roof repairs, heating, plumbing, and electrical	23	(6) The obligation may bear interest at a fixed or
24	systems;	24	variable rate and may be sold to the board of investments at
25	(c) any other capital expenditure the district is	25	par, at a discount or with a premium, and upon any other



SB 0456 THIRD READING

-2-

SB 0456

5.81

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 the best interests of the district.

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4 when added to the outstanding bonded indebtedness of the
5 district, may not exceed the debt limitation established in
6 20-9-406."

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HOUSE STANDING COMMITTEE REPORT

April 1, 1991 Page 1 of 1

Mr. Speaker: We, the committee on <u>Education and Cultural</u> <u>Resources</u> report that <u>Senate Bill 456</u> (third reading copy -blue) be concurred in as amended.

Signed: Chairman

Carried by: Rep. Russell

And, that such amendments read:

1. Page 2, lines 2 through 6.
Following: "CLAIMS" on line 2
Strike: ","
Insert: "and"
Following: "JUDGMENTS" on line 3
Strike: remainder of line 3 through "WARRANTS" on line 6

58 456 HOUSE

52nd Legislature

SB 0456/03

1	SENATE BILL NO. 456	1	other
2	INTRODUCED BY YELLOWTAIL, BLAYLOCK, RUSSELL	2	INCLU
3	BY REQUEST OF THE SENATE COMMITTEE	3	JUDGM
4	ON EDUCATION AND CULTURAL RESOURCES	4	EBUC
5		5	INSTR
6	A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE THE	6	WARR
7	LIMITATION ON SCHOOL DISTRICT TRUSTEES FOR THE ISSUANCE OF	7	(
8	SHORT-TERM OBLIGATIONS TO THE BOARD OF INVESTMENTS; AMENDING	8	the s
9	SECTION 20-9-471, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE	9	
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16	district may, without a vote of the electors of the	16	prin
17	district, issue and sell to the board of investments	17	prov
18	short-term obligations for the purpose of financing all or a	18	
19	portion of:	19	be u
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21	(b) the costs associated with renovating,	21	avai
22	rehabilitating, and remodeling facilities, including but not	22	obli
23	limited to roof repairs, heating, plumbing, and electrical	23	
24	systems;	2.4	vari
25	(c) any other capital expenditure the district is	25	par,

SB 0456/03

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3	JUDGMENTS7-OR7-WITH-THE-APPROVAL-OP-THE-BOARD-OP-PUBLIC
4	EDUCATIONONRECOMMENDATIONOPTHEOFFICEOFPUBLIC
5	instruction7-the-retirement-oplawfullyissuedregistered
6	WARRANTS; and
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-2-



SB 0456

REFERENCE BILL AS AMENDED

4

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 the best interests of the district.

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