

1 *House* BILL NO. *789*
 2 INTRODUCED BY *Walden Fager* *Dawnant Vincent* *Mitcal*
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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR THE
 5 CREATION OF AN URBAN UNDEVELOPED LOT DISTRICT AND TO
 6 AUTHORIZE AN URBAN UNDEVELOPED LOT LICENSE FEE AS A MEANS OF
 7 ENCOURAGING DEVELOPMENT."

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

10 Section 1. Urban undeveloped lot district -- license
 11 fee. (1) The governing body of a local government may by
 12 ordinance create an urban undeveloped lot district within
 13 the jurisdictional area of a city-county planning board and
 14 in a contiguous area zoned for residential or commercial
 15 purposes.

16 (2) The governing body may impose an urban undeveloped
 17 lot license fee on all undeveloped and vacant lots on which
 18 no buildings or other structures exist in an area designated
 19 as an urban undeveloped lot district as provided in (1)
 20 above.

21 (3) The governing body shall provide a method of
 22 collection. The amount of the undeveloped lot license fee
 23 may be entered on tax notices to be collected with other
 24 taxes. If the urban undeveloped lot license fee is not paid
 25 by the property owner, it becomes a lien on the property.

1 (4) The governing body may provide a license fee
 2 schedule that escalates yearly on the potentially
 3 developable lots, as a means of encouraging development. In
 4 no case may the license fee be imposed until 2 years after
 5 the creation of the urban undeveloped lot district.

-End-

INTRODUCED BILL

HB 789

STATE OF MONTANA

REQUEST NO. 552-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 16, 19 77, there is hereby submitted a Fiscal Note for House Bill 789 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

This bill provides for the creation of an urban undeveloped lot district and authorizes an urban undeveloped lot license fee as a means of encouraging development.

ASSUMPTION

This bill only affects local governments. Therefore, there is no impact on state revenue or expenditures.

EFFECT ON LOCAL REVENUE

This bill may increase local government revenues, but the amount of the increase depends on the decision of the local government.

TECHNICAL NOTE

It appears that there is a potential legal conflict. Cities can go 4 1/2 miles beyond the corporate limits for planning purposes. The legal question would be whether cities can assess license fees on properties outside their corporate limits.

PREPARED BY DEPARTMENT OF REVENUE

Richard J. Franz
BUDGET DIRECTOR

Office of Budget and Program Planning

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