

Senator BILL NO. 384
McDermott NELSON

1 INTRODUCTION BY _____
2

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A 6-MILL
5 OR LESS VOTED LEVY FOR HOSPITAL DISTRICT PURPOSES, AMENDING
6 SECTIONS 16-1046, 16-1047, 16-4309, AND 16-4309.1, R.C.M.
7 1947."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 16-1046, R.C.M. 1947, is amended to
11 read as follows:

12 "16-1046. Tax levy authorized. In the event the bonds
13 become delinquent or cannot be paid from ordinary revenues
14 of the facility, a county which has issued bonds under
15 section 16-1045 may levy taxes on all taxable property
16 within the county, in the manner provided for public
17 hospital districts under sections 16-4309 and 16-4309.1,
18 ~~namely, three (3) mills not submitted to a vote of the~~
19 ~~people and three (3) additional not to exceed 6 mills when~~
20 approved by a vote of the people."

21 Section 2. Section 16-1047, R.C.M. 1947, is amended to
22 read as follows:

23 "16-1047. Limitation. The authority granted under this
24 act is available only to counties in which no hospital
25 exists or in which the only existing hospital has been

1 ordered closed or cannot be reasonably brought into
2 compliance with the standards established by the department
3 of health and environmental sciences under chapter 52, Title
4 69, R.C.M. 1947, ~~and which commence construction of a~~
5 ~~hospital prior to July 1, 1977."~~

6 Section 3. Section 16-4309, R.C.M. 1947, is amended to
7 read as follows:

8 "16-4309. Budget and tax levy. The board of hospital
9 trustees shall, annually, present their budget to the board
10 of county commissioners at the regular budget meetings as
11 prescribed by law, and therewith certify the amount of money
12 necessary and proper for the ensuing year. The board of
13 county commissioners must, annually, at the time of levying
14 county taxes, fix and levy a tax, in mills, upon all
15 property within said hospital district clearly sufficient to
16 raise the amount certified by the board of hospital
17 trustees. The tax so levied for all hospital district
18 purposes other than payment of bonded indebtedness ~~shall~~ may
19 not in any year exceed ~~three (3) 6~~ 6 mills on each dollar of
20 taxable valuation of property within ~~said the~~ the district and
21 is subject to a vote of the people as provided in
22 16-4309.1."

23 Section 4. Section 16-4309.1, R.C.M. 1947, is amended
24 to read as follows:

25 "16-4309.1. ~~Additional~~ tax tax levy -- election --

1 majority vote required. (1) ~~If the maximum levy of three~~
 2 ~~(3) mills on each dollar of taxable valuation of property~~
 3 ~~within the hospital district is inadequate to raise the~~
 4 ~~amount of money certified as necessary and proper by the~~
 5 ~~board of hospital trustees, as provided in section 16-4309,~~
 6 the the board of county commissioners may make ~~an~~ additional
 7 levy a tax upon the taxable property within ~~said the~~
 8 hospital district of ~~three (3) &~~ mills or less sufficient to
 9 raise the amount certified by the board of hospital
 10 trustees.

11 (2) Before the ~~additional~~ levy may be made, the
 12 question shall be submitted to a vote of the people at some
 13 general or special election in the following form: "Shall
 14 there be ~~on a~~ ~~additional~~ levy of (specify number) mills upon
 15 the taxable property of the (specify hospital district)
 16 necessary to raise the sum of (specify the amount to be
 17 raised by the ~~additional~~ tax levy) for the purpose of
 18 (specify purpose for which the ~~additional~~ levy is made)?

19 For ~~an~~ a ~~additional~~ ~~tax~~ levy to raise the sum of
 20 (state the amount to be raised by the ~~additional~~ tax levy),
 21 and being (give number) mills.

22 Against ~~an~~ ~~additional~~ a tax levy to raise the sum of
 23 (state amount to be raised by the ~~additional~~ tax levy), and
 24 being (give number) mills.

25 (3) A majority of the votes cast shall be necessary to

1 permit the ~~additional~~ levy which ~~shall be collected in the~~
 2 ~~same manner as other hospital district taxes.~~

3 (4) If the calculated percentage of qualified electors
 4 voting in the election is less than thirty percent (30%),
 5 the ~~additional~~ levy shall be deemed to have been rejected."

-End-

STATE OF MONTANA

REQUEST NO. 363-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 4, 19 77, there is hereby submitted a Fiscal Note for Senate Bill 384 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 a 6-mill or less voted levy for hospital district purposes.

ASSUMPTIONS

The proposed bill will have no fiscal impact on state revenues or expenditures. The only fiscal impact will be on certain local governments.

EFFECT ON LOCAL REVENUES

Only 7 counties would meet the criterion of either not having a hospital or having a hospital that cannot be reasonably brought into compliance with the Department of Health & Environmental Science standards. The maximum effect would be a 6 mill levy in these counties.

PREPARED BY DEPARTMENT OF REVENUE

Richard L. Drayton
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-10-77

Approved by Committee
on Taxation

SENATE BILL NO. 384

INTRODUCED BY McCOMBER, NELSON

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A 6-MILL
~~OR LESS VOTED LEVY FUNDING BY VOTED BOND ISSUES~~ FOR COUNTY
HOSPITAL DISTRICT PURPOSES, AMENDING SECTIONS ~~16-1046,~~
~~16-1045, AND~~ 16-1047, ~~16-4309, AND 16-4309,~~ R.C.M. 1947."

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

~~Section 16-1046, R.C.M. 1947, is amended to read as follows:~~

~~"16-1046. Tax levy authorized in the event the bonds become delinquent or cannot be paid from ordinary revenues of the facility of a county which has issued bonds under section 16-1045 may levy taxes on all taxable property within the county in the manner provided for public hospital districts under sections 16-4309 and 16-4309, namely: three (3) mills not submitted to a vote of the people and three (3) additional not to exceed 6 mills when approved by a vote of the people."~~

SECTION 16-1045, R.C.M. 1947, IS AMENDED TO READ AS FOLLOWS:

"16-1045. Bonds and other obligations. (1) Notwithstanding any limitation imposed by law upon the bonded indebtedness of a county, a county constructing a

hospital or nursing home under section 16-1008A may borrow money and issue its bonds therefor, including refunding bonds, in such form and upon such terms as it may determine, payable out of any revenues of the facility, including revenues derived from:

- (a) fees and payments for hospital or nursing home services,
- (b) taxes levied under section 16-1046,
- (c) grants or contributions from the federal government, or
- (d) any other sources.

(2) The bonds may be issued by resolution or resolutions of the county governing body without an election and without any limitation of amount except as follows:

- (a) no such bonds may be issued at any time if the total amount of principal and interest to become due in any year on such bonds, and on any then outstanding bonds for which revenues from the same source or sources are pledged, exceeds the amount of such revenues to be received in that year as estimated in the resolution authorizing the issuance of the bonds; and
- (b) the county shall be obligated to take all action necessary and possible to impose, maintain and collect rates, charges, rentals and taxes, if any are pledged,

1 sufficient to make the revenues from the pledged source or
2 sources in such year at least equal to the amount of such
3 principal and interest due in that year.

4 They may be sold at public or private sale and shall
5 bear interest at a rate or rates not exceeding ten-percent
6 ~~{10%}~~ a year. Except as otherwise provided herein, any
7 bonds issued pursuant to this act by a county shall be
8 payable as to principal and interest solely from revenues of
9 the county, and shall state on their face the applicable
10 limitations or restrictions regarding the source or sources
11 from which such principal and interest are payable.

12 ~~(c) no such bonds may be issued by any county until~~
13 ~~the question of approval of the issuance of such bonds has~~
14 ~~been submitted to the qualified electors of the county at a~~
15 ~~special election called for that purpose by the governing~~
16 ~~body of the county and the majority of the electors voting~~
17 ~~on the question have voted in favor thereof. The notice and~~
18 ~~conduct of the election shall be governed to the extent~~
19 ~~applicable by section 16-2024 and 16-2026. If a majority of~~
20 ~~the electors voting thereon vote against the issuance of~~
21 ~~such bonds the county shall have no authority to issue such~~
22 ~~bonds under this act.~~

23 (3) Bonds issued by a county pursuant to the
24 provisions of this act are declared to be issued for an
25 essential public and governmental purpose by a political

1 subdivision within the meaning of section 84-4905 (2)(a).
2 The bonds may be for a ~~forty~~{40} year period.

3 For the security of any such bonds, the county may by
4 resolution make and enter into any covenant, agreement, or
5 indenture and exercise any additional powers authorized to
6 be made, entered into or exercised by a county. The sums
7 required from time to time to pay principal and interest and
8 to create and maintain a reserve for the bonds may be made
9 payable from any and all revenues referred to in this act,
10 prior to the payment of current costs of operation and
11 maintenance of the facilities.

12 (4) The governing body of any county ~~having a~~
13 ~~population in excess of ten thousand~~{10,000} may, with
14 respect to bonds issued pursuant to this act by the county,
15 by resolution covenant that, in the event that at any time
16 all revenues, including taxes, appropriated and theretofore
17 collected for such bonds are insufficient to pay principal
18 or interest then due, it will levy a general tax upon all of
19 the taxable property in the county for the payment of such
20 deficiency and may further covenant that at any time a
21 deficiency is likely to occur within ~~one~~{1} year for the
22 payment of principal and interest due on such bonds, it will
23 levy a general tax upon all the taxable property in the
24 county for the payment of such deficiency, and such taxes
25 shall not be subject to any limitation of rate or amount

1 applicable to other county taxes but shall be limited to a
 2 rate estimated to be sufficient to produce the amount of the
 3 deficiency. In the event more than one county having--
 4 ~~population in excess of ten thousand (10,000)~~ is included in
 5 an authority issuing bonds pursuant to this act, the
 6 counties may apportion the obligation to levy taxes for the
 7 payment of or in anticipation of a deficiency in the
 8 revenues appropriated for such bonds in such manner as the
 9 counties shall determine. The resolution shall state the
 10 principal amount and purpose of the bonds and the substance
 11 of the covenant respecting deficiencies. ~~No such resolution~~
 12 ~~is effective until the question of its approval has been~~
 13 ~~submitted to the qualified electors of the county at a~~
 14 ~~special election called for that purpose by the governing~~
 15 ~~body of the county and a majority of the electors voting on~~
 16 ~~the question have voted in favor thereof. The notice and~~
 17 ~~conduct of the election shall be governed to the extent~~
 18 ~~applicable by sections 16-2024 and 16-2026. If a majority~~
 19 ~~of the electors voting thereon vote against approval of the~~
 20 ~~resolution, the county shall have no authority to make the~~
 21 ~~covenant or to levy a tax for the payment of deficiencies~~
 22 ~~pursuant to this section, but such county may nevertheless~~
 23 ~~issue bonds under this act payable solely from the sources~~
 24 ~~referred to in subsection (1) of this section."~~

25 Section 2. Section 16-1047, R.C.M. 1947, is amended to

1 read as follows:

2 "16-1047. Limitation. The authority granted under this
 3 act is available only to counties in which no hospital
 4 exists or in which the only existing hospital has been
 5 ordered closed or cannot be reasonably brought into
 6 compliance with the standards established by the department
 7 of health and environmental sciences under chapter 52, Title
 8 69, R.C.M. 1947, ~~and which commence construction of a~~
 9 ~~hospital prior to July 1, 1977."~~

10 ~~Section 3. Section 16-4309, R.C.M. 1947, is amended to~~
 11 ~~read as follows:~~

12 "16-4309. Budget and tax levys. The board of hospital
 13 trustees shall annually present their budget to the board
 14 of county commissioners at the regular budget meetings as
 15 prescribed by law and therewith certify the amount of money
 16 necessary and proper for the ensuing year. The board of
 17 county commissioners must annually at the time of levying
 18 county taxes fix and levy a tax in mills upon all
 19 property within said hospital district clearly sufficient to
 20 raise the amount certified by the board of hospital
 21 trustees. The tax so levied for all hospital district
 22 purposes other than payment of bonded indebtedness shall ~~may~~
 23 ~~not in any year exceed three (3) 6 mills on each dollar of~~
 24 ~~taxable valuation of property within said the district and~~
 25 ~~is subject to a vote of the people as provided in~~

1 ~~16-4309v1*~~

2 Section 4*--Section--16-4309v1*~~Rs&Ms-1947v~~ is amended

3 to read as follows:

4 *16-4309v1*--Additional tax lg~~g~~ levy-----election---

5 majority--vote--required* (1)--If the maximum levy of three

6 (3) mills on each dollar of taxable valuation of property

7 within the hospital district is inadequate to raise the

8 amount of money certified as necessary and proper by the

9 board of hospital trustees, as provided in section 16-4309,

10 the lg~~g~~ board of county commissioners may make an additional

11 levy 2 tax upon the taxable property within said lg~~g~~

12 hospital district of three (3) 2 mills or less sufficient to

13 raise the amount certified by the board of hospital

14 trustees

15 (2)--Before the additional levy may be made, the

16 question shall be submitted to a vote of the people at some

17 general or special election in the following form: "Shall

18 there be an g additional levy of (specify number) mills upon

19 the taxable property of the (specify hospital district)

20 necessary to raise the sum of (specify the amount to be

21 raised by the additional tax levy) for the purpose of

22 (specify purpose for which the additional levy is made)?"

23 --for an g additional lg~~g~~ levy to raise the sum of

24 (state the amount to be raised by the additional tax levy) v

25 and being (give number) mills

1 --Against an additional g tax levy to raise the sum of

2 (state amount to be raised by the additional tax levy) v and

3 being (give number) mills

4 (3)--A majority of the votes cast shall be necessary to

5 permit the additional levy which shall be collected in the

6 same manner as other hospital district taxes

7 (4)--If the calculated percentage of qualified electors

8 voting in the election is less than thirty percent (30%) v

9 the additional levy shall be deemed to have been rejected*

-End-

1 SENATE BILL NO. 384

2 INTRODUCED BY MCOMBER, NELSON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A 6-MILL
5 OR-LESS-VOTED-LEVY FUNDING BY VOTED BOND ISSUES FOR COUNTY
6 HOSPITAL DISTRICT PURPOSES, AMENDING SECTIONS 16-1046
7 16-1045, AND 16-1047, 16-4309, AND 16-4309-1, R.C.M. 1947."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 16-1046, R.C.M. 1947, is amended to
11 read as follows:

12 "16-1046. Tax levy authorized in the event the bonds
13 become delinquent or cannot be paid from ordinary revenues
14 of the facility, a county which has issued bonds under
15 section 16-1045 may levy taxes on all taxable property
16 within the county in the manner provided for public
17 hospital districts under sections 16-4309 and 16-4309-1,
18 namely, three (3) mills not submitted to a vote of the
19 people and three (3) additional not to exceed 6 mills when
20 approved by a vote of the people."

21 SECTION 16-1045, R.C.M. 1947, IS AMENDED TO
22 READ AS FOLLOWS:

23 "16-1045. Bonds and other obligations. (1)
24 Notwithstanding any limitation imposed by law upon the
25 bonded indebtedness of a county, a county constructing a

1 hospital or nursing home under section 16-1008A may borrow
2 money and issue its bonds therefor, including refunding
3 bonds, in such form and upon such terms as it may determine,
4 payable out of any revenues of the facility, including
5 revenues derived from:

6 (a) fees and payments for hospital or nursing home
7 services,

8 (b) taxes levied under section 16-1046,

9 (c) grants or contributions from the federal
10 government, or

11 (d) any other sources.

12 (2) The bonds may be issued by resolution or
13 resolutions of the county governing body without an
14 election, and without any limitation of amount except as
15 follows:

16 (a) no such bonds may be issued at any time if the
17 total amount of principal and interest to become due in any
18 year on such bonds, and on any then outstanding bonds for
19 which revenues from the same source or sources are pledged,
20 exceeds the amount of such revenues to be received in that
21 year as estimated in the resolution authorizing the issuance
22 of the bonds; and

23 (b) the county shall be obligated to take all action
24 necessary and possible to impose, maintain and collect
25 rates, charges, rentals and taxes, if any are pledged,

THIRD READING

1 sufficient to make the revenues from the pledged source or
2 sources in such year at least equal to the amount of such
3 principal and interest due in that year.

4 They may be sold at public or private sale and shall
5 bear interest at a rate or rates not exceeding ~~ten percent~~
6 ~~{10%}~~ a year. Except as otherwise provided herein, any
7 bonds issued pursuant to this act by a county shall be
8 payable as to principal and interest solely from revenues of
9 the county, and shall state on their face the applicable
10 limitations or restrictions regarding the source or sources
11 from which such principal and interest are payable.

12 ~~(c) no such bonds may be issued by any county until~~
13 ~~the question of approval of the issuance of such bonds has~~
14 ~~been submitted to the qualified electors of the county at a~~
15 ~~GENERAL ELECTION OR A special election called for that~~
16 ~~purpose by the governing body of the county and the majority~~
17 ~~of the electors voting on the question have voted in favor~~
18 ~~thereof. The notice and conduct of the election shall be~~
19 ~~governed to the extent applicable by section 16-2024 and~~
20 ~~16-2026. If a majority of the electors voting thereon vote~~
21 ~~against the issuance of such bonds the county shall have no~~
22 ~~authority to issue such bonds under this act.~~

23 (3) Bonds issued by a county pursuant to the
24 provisions of this act are declared to be issued for an
25 essential public and governmental purpose by a political

1 subdivision within the meaning of section 84-4905 (2)(a).
2 The bonds may be for a ~~forty~~~~{40}~~ year period.

3 For the security of any such bonds, the county may by
4 resolution make and enter into any covenant, agreement, or
5 indenture and exercise any additional powers authorized to
6 be made, entered into or exercised by a county. The sums
7 required from time to time to pay principal and interest and
8 to create and maintain a reserve for the bonds may be made
9 payable from any and all revenues referred to in this act,
10 prior to the payment of current costs of operation and
11 maintenance of the facilities.

12 (4) The governing body of any county ~~having~~~~a~~
13 ~~population in excess of ten thousand~~~~{10,000}~~ may, with
14 respect to bonds issued pursuant to this act by the county,
15 by resolution covenant that, in the event that at any time
16 all revenues, including taxes, appropriated and theretofore
17 collected for such bonds are insufficient to pay principal
18 or interest then due, it will levy a general tax upon all of
19 the taxable property in the county for the payment of such
20 deficiency and may further covenant that at any time a
21 deficiency is likely to occur within ~~one~~~~{1}~~ year for the
22 payment of principal and interest due on such bonds, it will
23 levy a general tax upon all the taxable property in the
24 county for the payment of such deficiency, and such taxes
25 shall not be subject to any limitation of rate or amount

1 applicable to other county taxes but shall be limited to a
 2 rate estimated to be sufficient to produce the amount of the
 3 deficiency. In the event more than one county having a
 4 ~~population in excess of ten thousand (10,000)~~ is included in
 5 an authority issuing bonds pursuant to this act, the
 6 counties may apportion the obligation to levy taxes for the
 7 payment of or in anticipation of a deficiency in the
 8 revenues appropriated for such bonds in such manner as the
 9 counties shall determine. The resolution shall state the
 10 principal amount and purpose of the bonds and the substance
 11 of the covenant respecting deficiencies. ~~No such resolution~~
 12 ~~is effective until the question of its approval has been~~
 13 ~~submitted to the qualified electors of the county at a~~
 14 ~~special election called for that purpose by the governing~~
 15 ~~body of the county and a majority of the electors voting on~~
 16 ~~the question have voted in favor thereof. The notice and~~
 17 ~~conduct of the election shall be governed to the extent~~
 18 ~~applicable by sections 16-2024 and 16-2026. If a majority~~
 19 ~~of the electors voting thereon vote against approval of the~~
 20 ~~resolution, the county shall have no authority to make the~~
 21 ~~covenant or to levy a tax for the payment of deficiencies~~
 22 ~~pursuant to this section, but such county may nevertheless~~
 23 ~~issue bonds under this act payable solely from the sources~~
 24 ~~referred to in subsection (1) of this section."~~

25 Section 2. Section 16-1047, R.C.M. 1947, is amended to

1 read as follows:

2 "16-1047. Limitation. The authority granted under this
 3 act is available only to counties in which no hospital
 4 exists or in which the only existing hospital has been
 5 ordered closed or cannot be reasonably brought into
 6 compliance with the standards established by the department
 7 of health and environmental sciences under chapter 52, Title
 8 69, R.C.M. 1947, ~~and which commence construction of a~~
 9 ~~hospital prior to July 1, 1977."~~

10 Section 3. ~~Section 16-4309, R.C.M. 1947, is amended to~~
 11 ~~read as follows:~~

12 "16-4309. Budget and tax levy. The board of hospital
 13 trustees shall annually present their budget to the board
 14 of county commissioners at the regular budget meetings as
 15 prescribed by law and therewith certify the amount of money
 16 necessary and proper for the ensuing year. The board of
 17 county commissioners must annually at the time of levying
 18 county taxes fix and levy a tax in mills upon all
 19 property within said hospital district clearly sufficient to
 20 raise the amount certified by the board of hospital
 21 trustees. The tax so levied for all hospital district
 22 purposes other than payment of bonded indebtedness shall ~~may~~
 23 ~~not in any year exceed three (3) 6 mills on each dollar of~~
 24 ~~taxable valuation of property within said the district and~~
 25 ~~is subject to a vote of the people as provided in~~

1 ~~to 4309.~~

2 Section 4, Section 16-4309, R.S. 1947, is amended

3 to read as follows:

4 "16-4309. Additional tax ~~levy~~ election --

5 majority vote required. (1) If the maximum levy of three

6 (3) mills on each dollar of taxable valuation of property

7 within the hospital district is inadequate to raise the

8 amount of money certified as necessary and proper by the

9 board of hospital trustees, as provided in section 16-4309,

10 the ~~the~~ board of county commissioners may make an additional

11 levy ~~a tax~~ upon the taxable property within said ~~the~~

12 hospital district of three (3) ~~5~~ mills or less sufficient to

13 raise the amount certified by the board of hospital

14 trustees.

15 (2) Before the additional levy may be made, the

16 question shall be submitted to a vote of the people at some

17 general or special election in the following form: "Shall

18 there be an ~~a~~ additional levy of (specify number) mills upon

19 the taxable property of the (specify hospital district)

20 necessary to raise the sum of (specify the amount to be

21 raised by the additional tax levy) for the purpose of

22 (specify purpose for which the additional levy is made)?

23 --For an ~~a~~ additional ~~tax~~ levy to raise the sum of

24 (state the amount to be raised by the additional tax levy) and

25 being (give number) mills.

1 --Against an additional ~~a~~ tax levy to raise the sum of

2 (state amount to be raised by the additional tax levy) and

3 being (give number) mills.

4 (3) A majority of the votes cast shall be necessary to

5 permit the additional levy which shall be collected in the

6 same manner as other hospital district taxes.

7 (4) If the calculated percentage of qualified electors

8 voting in the election is less than thirty percent (30%)

9 the additional levy shall be deemed to have been rejected."

--End--

1 SENATE BILL NO. 384

2 INTRODUCED BY McOMBER, NELSON

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR A 6-MILL
5 ~~OR LESS VOTED LEVY~~ FUNDING BY VOTED BOND ISSUES FOR COUNTY
6 HOSPITAL DISTRICT PURPOSES, AMENDING SECTIONS ~~16-1046,~~
7 ~~16-1045, AND~~ 16-1047, ~~16-4309, AND 16-4309~~ R.C.M. 1947."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:10 Section ~~16-1046, R.C.M. 1947,~~ is amended to
11 read as follows:

12 "~~16-1046. Tax levy authorized, in the event the bonds~~
13 ~~become delinquent or cannot be paid from ordinary revenues~~
14 ~~of the facility, a county which has issued bonds under~~
15 ~~section 16-1045 may levy taxes on all taxable property~~
16 ~~within the county in the manner provided for public~~
17 ~~hospital districts under sections 16-4309 and 16-4309,~~
18 ~~namely: three (3) mills not submitted to a vote of the~~
19 ~~people and three (3) additional not to exceed 6 mills when~~
20 ~~approved by a vote of the people."~~

21 SECTION 1, SECTION 16-1045, R.C.M. 1947, IS AMENDED TO
22 READ AS FOLLOWS:

23 "16-1045. Bonds and other obligations. (1)
24 Notwithstanding any limitation imposed by law upon the
25 bonded indebtedness of a county, a county constructing a

1 hospital or nursing home under section 16-1008A may borrow
2 money and issue its bonds therefor, including refunding
3 bonds, in such form and upon such terms as it may determine,
4 payable out of any revenues of the facility, including
5 revenues derived from:

6 (a) fees and payments for hospital or nursing home
7 services,

8 (b) taxes levied under section 16-1046,

9 (c) grants or contributions from the federal
10 government, or

11 (d) any other sources.

12 (2) The bonds may be issued by resolution or
13 resolutions of the county governing body without an
14 election, and without any limitation of amount except as
15 follows:16 (a) no such bonds may be issued at any time if the
17 total amount of principal and interest to become due in any
18 year on such bonds, and on any then outstanding bonds for
19 which revenues from the same source or sources are pledged,
20 exceeds the amount of such revenues to be received in that
21 year as estimated in the resolution authorizing the issuance
22 of the bonds; and23 (b) the county shall be obligated to take all action
24 necessary and possible to impose, maintain and collect
25 rates, charges, rentals and taxes, if any are pledged,

1 sufficient to make the revenues from the pledged source or
2 sources in such year at least equal to the amount of such
3 principal and interest due in that year.

4 They may be sold at public or private sale and shall
5 bear interest at a rate or rates not exceeding ten-percent
6 {10%} a year. Except as otherwise provided herein, any
7 bonds issued pursuant to this act by a county shall be
8 payable as to principal and interest solely from revenues of
9 the county, and shall state on their face the applicable
10 limitations or restrictions regarding the source or sources
11 from which such principal and interest are payable.

12 (c) no such bonds may be issued by any county until
13 the question of approval of the issuance of such bonds has
14 been submitted to the qualified electors of the county at a
15 GENERAL ELECTION OR A special election called for that
16 purpose by the governing body of the county and the majority
17 of the electors voting on the question have voted in favor
18 thereof. The notice and conduct of the election shall be
19 governed to the extent applicable by section 16-2024 and
20 16-2026. If a majority of the electors voting thereon vote
21 against the issuance of such bonds the county shall have no
22 authority to issue such bonds under this act.

23 (3) Bonds issued by a county pursuant to the
24 provisions of this act are declared to be issued for an
25 essential public and governmental purpose by a political

1 subdivision within the meaning of section 84-4905 (2)(a).
2 The bonds may be for a forty {40} year period.

3 For the security of any such bonds, the county may by
4 resolution make and enter into any covenant, agreement, or
5 indenture and exercise any additional powers authorized to
6 be made, entered into or exercised by a county. The sums
7 required from time to time to pay principal and interest and
8 to create and maintain a reserve for the bonds may be made
9 payable from any and all revenues referred to in this act,
10 prior to the payment of current costs of operation and
11 maintenancé of the facilities.

12 (4) The governing body of any county having ~~---a~~
13 ~~population in excess of ten thousand {10,000}~~ may, with
14 respect to bonds issued pursuant to this act by the county,
15 by resolution covenant that, in the event that at any time
16 all revenues, including taxes, appropriated and theretofore
17 collected for such bonds are insufficient to pay principal
18 or interest then due, it will levy a general tax upon all of
19 the taxable property in the county for the payment of such
20 deficiency and may further covenant that at any time a
21 deficiency is likely to occur within one {1} year for the
22 payment of principal and interest due on such bonds, it will
23 levy a general tax upon all the taxable property in the
24 county for the payment of such deficiency, and such taxes
25 shall not be subject to any limitation of rate or amount

1 applicable to other county taxes but shall be limited to a
 2 rate estimated to be sufficient to produce the amount of the
 3 deficiency. In the event more than one county having a
 4 population in excess of ten thousand (10,000) is included in
 5 an authority issuing bonds pursuant to this act, the
 6 counties may apportion the obligation to levy taxes for the
 7 payment of or in anticipation of a deficiency in the
 8 revenues appropriated for such bonds in such manner as the
 9 counties shall determine. The resolution shall state the
 10 principal amount and purpose of the bonds and the substance
 11 of the covenant respecting deficiencies. ~~No such resolution~~
 12 ~~is effective until the question of its approval has been~~
 13 ~~submitted to the qualified electors of the county at a~~
 14 ~~special election called for that purpose by the governing~~
 15 ~~body of the county and a majority of the electors voting on~~
 16 ~~the question have voted in favor thereof. The notice and~~
 17 ~~conduct of the election shall be governed, to the extent~~
 18 ~~applicable, by sections 16-2024 and 16-2026. If a majority~~
 19 ~~of the electors voting thereon vote against approval of the~~
 20 ~~resolution, the county shall have no authority to make the~~
 21 ~~covenant or to levy a tax for the payment of deficiencies~~
 22 ~~pursuant to this section, but such county may nevertheless~~
 23 ~~issue bonds under this act payable solely from the sources~~
 24 ~~referred to in subsection (1) of this section."~~

25 Section 2. Section 16-1047, R.C.M. 1947, is amended to

1 read as follows:

2 "16-1047. Limitation. The authority granted under this
 3 act is available only to counties in which no hospital
 4 exists or in which the only existing hospital has been
 5 ordered closed or cannot be reasonably brought into
 6 compliance with the standards established by the department
 7 of health and environmental sciences under chapter 52, Title
 8 69, R.C.M. 1947, ~~and which commence construction of a~~
 9 ~~hospital prior to July 1, 1977."~~

10 Section 3. ~~Section 16-4309, R.C.M. 1947, is amended to~~
 11 ~~read as follows:~~

12 "16-4309. Budget and tax levys. The board of hospital
 13 trustees shall annually present their budget to the board
 14 of county commissioners at the regular budget meetings as
 15 prescribed by law and therewith certify the amount of money
 16 necessary and proper for the ensuing year. The board of
 17 county commissioners must, annually, at the time of levying
 18 county taxes, fix and levy a tax, in mills, upon all
 19 property within said hospital district clearly sufficient to
 20 raise the amount certified by the board of hospital
 21 trustees. The tax so levied for all hospital district
 22 purposes other than payment of bonded indebtedness shall ~~may~~
 23 ~~not in any year exceed three (3) 1/2 mills on each dollar of~~
 24 ~~taxable valuation of property within said the district and~~
 25 ~~is subject to a vote of the people as provided in~~

1 ~~16-4309v1v~~
 2 Section 4v Section 16-4309v1v, RvEvMs-1947v, is amended
 3 to read as follows:
 4 "16-4309v1v Additional tax ~~tax~~ levy election
 5 majority vote requiredv (1) If the maximum levy of three
 6 (3) mills on each dollar of taxable valuation of property
 7 within the hospital district is inadequate to raise the
 8 amount of money certified as necessary and proper by the
 9 board of hospital trusteesv as provided in section 16-4309v
 10 the ~~the~~ board of county commissioners may make an additional
 11 levy ~~a tax~~ upon the taxable property within said ~~the~~
 12 hospital district of three (3) ~~a~~ mills or less sufficient to
 13 raise the amount certified by the board of hospital
 14 trusteesv
 15 (2) Before the additional levy may be madev the
 16 question shall be submitted to a vote of the people at some
 17 general or special election in the following form: "Shall
 18 there be an ~~a~~ additional levy of (specify number) mills upon
 19 the taxable property of the (specify hospital district)
 20 necessary to raise the sum of (specify the amount to be
 21 raised by the additional tax levy) for the purpose of
 22 (specify purpose for which the additional levy is made)?
 23 --For an ~~a~~ additional ~~tax~~ levy to raise the sum of
 24 (state the amount to be raised by the additional tax levy)v
 25 and being (give number) millsv

1 --Against an additional ~~a~~ tax levy to raise the sum of
 2 (state amount to be raised by the additional tax levy)v and
 3 being (give number) millsv
 4 (3) A majority of the votes cast shall be necessary to
 5 permit the additional levy which shall be collected in the
 6 same manner as other hospital district taxesv
 7 (4) If the calculated percentage of qualified electors
 8 voting in the election is less than thirty percent (30%)v
 9 the additional levy shall be deemed to have been rejectedv"

-End-