

SENATE BILL NO. 284

INTRODUCED BY STIMATZ

BY REQUEST OF THE DEPARTMENT OF COMMUNITY AFFAIRS

IN THE SENATE

January 26, 1981	Introduced and referred to Committee on Taxation.
February 20, 1981	Committee recommend bill do pass. Report adopted.
February 21, 1981	Bill printed and placed on members' desks.
February 23, 1981	Second reading, do pass.
February 24, 1981	Correctly engrossed.
February 25, 1981	Third reading, passed. Ayes, 49; Noes, 0. Transmitted to House.

IN THE HOUSE

March 2, 1981	Introduced and referred to Committee on Taxation.
March 12, 1981	Committee recommend bill be concurred in. Report adopted.
March 21, 1981	Second reading, concurred in.
March 24, 1981	Third reading, concurred in. Ayes, 97; Noes, 0.

IN THE SENATE

March 25, 1981	Returned from House. Concurred in. Sent to enrolling. Reported correctly enrolled.
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1 *Sen. Smith* BILL NO. *284*
 2 INTRODUCED BY *Sen. Smith*
 3 BY REQUEST OF THE DEPARTMENT OF COMMUNITY AFFAIRS

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY WHEN A VOTE
 6 OF ELECTORS IS REQUIRED TO INCUR AN INDEBTEDNESS ON BEHALF
 7 OF A LOCAL GOVERNMENT FOR AIRPORT PURPOSES; AMENDING SECTION
 8 67-10-402, MCA."

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

11 Section 1. Section 67-10-402, MCA, is amended to read:

12 "67-10-402. Tax levy. (1) For the purpose of
 13 establishing, constructing, equipping, maintaining, and
 14 operating airports and landing fields under the provisions
 15 of this chapter, the county commissioners or the city or
 16 town council may each year assess and levy, in addition to
 17 the annual levy for general administrative purposes or the
 18 all-purpose levy authorized by 7-6-4451 and 7-6-4452, a tax
 19 of not to exceed 2 mills on the dollar of taxable value of
 20 the property of said county, city, or town.

21 (2) In the event of a jointly established airport or
 22 landing field, the county commissioners and the council or
 23 councils involved shall determine in advance the levy
 24 necessary for such purposes and the proportion each
 25 political subdivision joining in the venture must pay.

1 (3) No property within any political subdivision may
 2 be subject to a tax pursuant to this section at an annual
 3 rate in excess of 2 mills unless it is found that the levy
 4 is insufficient for the purposes enumerated. In such a case
 5 the commissioners and councils acting are authorized and
 6 empowered to contract an indebtedness on behalf of such
 7 county, city, or town, as the case may be, upon the credit
 8 thereof by borrowing money or issuing bonds for such
 9 purposes, provided that ~~no money may be borrowed and~~ no
 10 bonds may be issued for such purpose until the proposition
 11 has been submitted to the qualified electors and a majority
 12 vote cast therefor, except as provided in subsection (4).

13 (4) For the purpose of establishing a reserve fund to
 14 resurface, overlay, or improve existing runways, taxiways,
 15 and ramps, the governing bodies may set up annual reserve
 16 funds in their annual budget if:

17 (a) the reserve is approved by the governing bodies
 18 during the normal budgeting procedure;

19 (b) the necessity to resurface or improve said runways
 20 by overlays or similar methods every so many years is based
 21 upon competent engineering estimates; and

22 (c) the funds are expended at least within each
 23 10-year period.

24 (5) The reserve fund may not exceed at any time a
 25 competent engineering estimate of the cost of resurfacing or

INTRODUCED BILL

SB 284

1 overlaying the existing runways, taxiways, and ramps of any
2 one airport for each fund. The governing body of the
3 airport, if in its judgment it considers it advantageous,
4 may invest the fund in any interest-bearing deposits in a
5 state or national bank insured by the FDIC or obligations of
6 the United States of America, either short-term or
7 long-term. Interest earned from such investments must be
8 credited to the operations and maintenance budget of the
9 airport governing body. The above provisions,
10 notwithstanding other budget control measures and due to the
11 uniqueness of the subject matter, are declared necessary in
12 the interests of the public health and safety."

-End-

Approved by Committee
on Taxation

Spate BILL NO. 284
Blair

INTRODUCED BY _____

BY REQUEST OF THE DEPARTMENT OF COMMUNITY AFFAIRS

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY WHEN A VOTE OF ELECTORS IS REQUIRED TO INCUR AN INDEBTEDNESS ON BEHALF OF A LOCAL GOVERNMENT FOR AIRPORT PURPOSES; AMENDING SECTION 67-10-402, MCA."

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

Section 1. Section 67-10-402, MCA, is amended to read:

"67-10-402. Tax levy. (1) For the purpose of establishing, constructing, equipping, maintaining, and operating airports and landing fields under the provisions of this chapter, the county commissioners or the city or town council may each year assess and levy, in addition to the annual levy for general administrative purposes or the all-purpose levy authorized by 7-6-4451 and 7-6-4452, a tax of not to exceed 2 mills on the dollar of taxable value of the property of said county, city, or town.

(2) In the event of a jointly established airport or landing field, the county commissioners and the council or councils involved shall determine in advance the levy necessary for such purposes and the proportion each political subdivision joining in the venture must pay.

(3) No property within any political subdivision may be subject to a tax pursuant to this section at an annual rate in excess of 2 mills unless it is found that the levy is insufficient for the purposes enumerated. In such a case the commissioners and councils acting are authorized and empowered to contract an indebtedness on behalf of such county, city, or town, as the case may be, upon the credit thereof by borrowing money or issuing bonds for such purposes, provided that ~~no money may be borrowed and~~ no bonds may be issued for such purpose until the proposition has been submitted to the qualified electors and a majority vote cast therefor, except as provided in subsection (4).

(4) For the purpose of establishing a reserve fund to resurface, overlay, or improve existing runways, taxiways, and ramps, the governing bodies may set up annual reserve funds in their annual budget if:

(a) the reserve is approved by the governing bodies during the normal budgeting procedure;

(b) the necessity to resurface or improve said runways by overlays or similar methods every so many years is based upon competent engineering estimates; and

(c) the funds are expended at least within each 10-year period.

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1 overlaying the existing runways, taxiways, and ramps of any
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3 airport, if in its judgment it considers it advantageous,
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1 *Senate* BILL NO. *284*
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