SENATE BILL NO. 382

INTRODUCED BY TURNAGE, NORMAN

IN THE SENATE February 6, 1981 Introduced and referred to Committee on Taxation. March 11, 1981 Committee recommend bill do pass as amended. Report adopted. March 12, 1981 Bill printed and placed on members' desks. March 13, 1981 Second reading, do pass. March 16, 1981 Correctly engrossed. March 17, 1981 Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

IN THE HOUSE

March	18,	1981	Introduced and referred to Committee on Local Government.
March	25,	1981	Committee recommend bill be concurred in. Report adopted.
March	28,	1981	Second reading, concurred in.
March	30,	1981	On motion rules suspended and bill allowed to be transmitted on 71st legislative day. Motion adopted.
March	31,	1981	Third reading, concurred in. Ayes, 99; Noes, 0.

IN THE GENATE

April 1, 1981

Returned from House. Concurred in. Sent to enrolling.

Reported correctly enrolled.

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY AND REVISE 5 THE ISSUANCE AND PAYMENT OF SPECIAL IMPROVEMENT DISTRICT AND 6 RURAL SPECIAL IMPROVEMENT DISTRICT BONDS; CLARIFYING THAT 7 THE BONDS ARE NOT GENERAL OBLIGATION BONDS: CLARIFYING THAT 8 THE REVOLVING FUND MAY NOT EXCEED 5 PERCENT OF THE 9 OUTSTANDING BONDS; AND REQUIRING THAT THE VOTERS APPROVE ANY 10 AGREEMENT CONCERNING THE REVOLVING FUND MADE IN CONNECTION 11 WITH A BOND ISSUE; AMENDING SECTIONS 7-12-2170, 7-12-2182, 7-12-2185+ 7-12-4202+ 7-12-4222+ AND 7-12-4225+ MCA+* 12

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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 15 Section 1. Section 7-12-2170, MCA, is amended to read: 16 "7-12-2170. Form of bond or warrant. Such bonds or 17 warrants shall be drawn in substantially the following form: 13 District No. 19 United States of America 20 State of Montana 21 Warrant or Dollars 22 (Bond No.) \$ Interest at the rate of % per annum, payable annually. 23 24 Special Improvement District Coupon 25 Warrant or Bond

***** Hontana

Issued by the county of, Montana

The county treasurer of County, Montana, will pay 3 4 to or bearer the sum of dollars as authorized by 5 resolution No., as passed on the day of 19... creating or maintaining the special improvement 6 7 district No. for the construction (or maintenance) of 8 the improvements and work performed as authorized in said 9 resolution to be done in said district, and all laws, 10 resolutions, and ordinances relating thereto, in payment of the contract in accordance therewith. The principal and 11 12 interest of this warrant (or bond) are payable at the office 13 of the county treasurer of County, Montana.

14 This warrant (or bond) bears interest at the rate of 15 •••• % per annum from the date of the registration of this 16 war; ant (or bond), as expressed herein, until the date 17 called for the redemption by the county treasurer. The 18 interest on this warrant (or bond) is payable annually on 19 the first day of each year, unless paid previous 20 therato, and as expressed by the interest coupons hereto 21 attached which bear the signatures of the chairman of the 22 board of county commissioners and the county clerk.

23 This warrant (or bond) is payable from the collection 24 of a special tax or assessment which is a lien against the 25 real estate within said improvement districts as described

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in said resolution hereinbefore referred to <u>and is not</u> a
 <u>general obligation of the county</u>.

3 This warrant (or bond) is redeemable at the option of

4 the county at any time there are funds to the credit of said 5 special improvement district fund (construction and 6 maintenance) for the redemption thereof and in the manner 7 provided for the redemption of the same.

It is hereby certified and recited that all things 8 9 required to be done precedent to the issuance of this warrant (or bond) have been properly done, happened, and 10 been performed in the manner prescribed by the laws of the 11 state of Montana and the resolution and ordinances of the 12 county of Nontana, relating to the issuance thereof. 13 14 Dated at Montana, this day of 19... 15 County of Montana.

16 (SEAL)

By, chairman of the board of county commissioners. 17 (SEAL) 19 County clerk 19 Registered at the office of the county treasurer of 20 County, Montana, this day of, 19... 21 County treasurer* 22 Section 2. Section 7-12-2182, MCA, is amended to read: 23 #7-12-2182. Sources of money for revolving fund. (1) 24 25 For the purpose of providing funds for such revolving fund 1 the board of county commissioners:

2 (a) may, in its discretion and from time to time, 3 transfer to the revolving fund from the general fund of the 4 county such amount or amounts as may be deemed necessary, 5 which amount or amounts so transferred shall be considered 6 and shall be loans from such general fund to the revolving 7 fund; and

(b) shall, in addition to such transfer or transfers 8 9 from the general fund or in lieu thereof, levy and collect for such revolving fund such a tax, hereby declared to be 10 for a public purpose, on all the taxable property in such 11 12 county as shall be necessary to meet the financial requirements of such fund; such levy, together with such 13 14 transfer, not to exceed in any one year 5% of the principal amount of the then-outstanding rural special improvement 15 16 district bonds and warrants.

17 (2) The balance in the revolving fund may not exceed 18 5% of the principal amount of the then-outstanding rural 19 special improvement district bonds and Warrants. f2f(3) Whenever there shall be money in the district 20 2 L fund which is not required for payment of any bond or 22 warrant of such district or of interest thereon, so much of such money as may be necessary to pay the loan provided for 23 in 7-12-2183 shall, by order of the board, be transferred to 24 the revolving fund. After all the bonds and warrants issued 25

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on any rural special improvement district have been fully
 paid, all money remaining in such district fund shall by the
 order of the board be transferred to and become part of the
 revolving fund."

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5 Section 3. Section 7-12-2185, MCA, is amended to read: 6 "7-12-2185. Covenants to utilize revolving fund. (1) 7 In connection with the issuance of rural special improvement 8 district bonds or warrants, the board of county 9 commissioners mays_subject_to_the_approval_of_a_majority_of 10 the_electors_of_the_county_voting_upon_the_guestion_at_a 11 general_or_special_elections_undertake and agree:

12 (a) to issue orders annually authorizing loans or 13 advances from the revolving fund to the district fund 14 involved in amounts sufficient to make good any deficiency 15 in the bond and interest accounts thereof, to the extent 16 that funds are available; and

(b) to provide funds for such revolving fund pursuant
to the provisions of 7~12-2182 by annually making such tax
levy (or, in lieu thereof, such loan from the general fund)
as the board may so agree to and undertake, subject to the
maximum limitations imposed by 7-12-2182.

22 (2) The undertakings and agreements <u>approved_by_the</u>
 <u>electors_of_the county</u> shall be binding upon said county so
 24 long as any of said special improvement district bonds or
 25 warrants so offered or any interest thereon remain unpaid."

ı	Section 4. Section 7-12-4202, MCA, is amended to read:
2	*7-12-4202. Form of bond or warrant. Such bonds or
3	warrants shall be drawn in substantially the following form:
4	District No
5	United States of America
6	State of Montana
7	Warrant or Dollars
8	(Bond No) \$
9	Interest at the rate of% per annum, payable
10	semi annually.
11	Special Improvement District Coupon Warrant or Bond
12	••••• Montana
13	Issued by the city of Montana
14	The treasurer of the city of, Montana, will pay to
15	bearer the sum of dollars as authorized by resolution
16	No as passed on the day of, 19, creating
17	special improvement district No for the construction
18	of the improvements and the work performed as authorized by
19	said resolution to be done in said district, and all laws,
20	resolutions, and ordinances relating thereto, in payment of
21	the contract in accordance therewith. The principal and
22	interest of this warrant (or bond) are payable at the office
23	of the city treasurer of, Montana.

This warrant (or bond) bears interest at the rate of% per annum from the day of registration of this warrant

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(or bond), as expressed herein, until the date called for
 redemption by the city treasurer. The interest on this
 warrant (or bond) is payable semiannually on the first day
 of in each year and on the first day of in each
 year, unless paid previous thereto, and as expressed by the
 interest coupons hereto attached, which bear the engraved
 facsimile signature of the mayor and city clerk.

8 This warrant (or bond) is payable from the collection 9 of a special tax or assessment which is a lien against the 10 real estate within said improvement district, as described 11 in said resolution hereinbefore referred to<u>r</u> and is not a 12 general obligation of the city.

13 This warrant (or bond) is redeemable at the option of 14 the city at any time there are funds to the credit of said 15 special improvement district fund for the redemption thereof 16 and in the manner provided for the redemption of the same. 17 It is hereby certified and recited that all things required to be done precedent to the issuance of this 18 19 warrant (or bond) have been properly done, happened and been performed in the manner prescribed by the laws of the state 20 21 of Montana and the resolutions and ordinances of the city of 22, Montana, relating to the issuance thereof.

23 (seal)

24 Dated at, Montana, this day of, 19...
25 City of, Montana

1	By:, Mayor
2	••••• City Clerk
3	Registered at the office of the city treasurer of,
4	Montana, this day of, 19
ö	••••• City Treasurer"
6	Section 5. Section 7-12-4222, MCA, is amended to read:
7	#7-12-4222. Sources of money for revolving fund. (1)
8	For the purpose of providing funds for such revolving fund
9	the city or town council:
10	(a) may, in its discretion and from time to time,
11	transfer to the revolving fund from the general fund of the
12	city or town such amount or amounts as may be deemed
13	necessary, which amount or amounts so transferred shall be
14	deemed and considered and shall be loans from such general
15	fund to the revolving fund; and
16	(b) shall, in addition to such transfer or transfers
17	from the general fund or in lieu thereof, levy and collect
18	for such revolving fund such a tax, hereby declared to be
19	for a public purpose, on all the taxable property in such
20	city or town as shall be necessary to meet the financial
21	requirements of such fund; such levy, together with such
22	transfer, not to exceed in any one year 5% of the principal
23	amount of the then-outstanding special improvement district
24	bonds or sidewalk, curb, and alley approach warrants.
25	(2) The balance in the revolving fund may not exceed

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5%_of_the_principal_amount_of_the_then_outstanding_special
 improvement_district_bonds_or_sidewalks_curbs_and_alley
 approach_warrants_

t2+[3] Whenever there shall be money in the district 4 fund which is not required for payment of any bond or 5 6 warrant of such district or of interest thereon, so much of such money as may be necessary to pay the loan provided for 7 in 7-12-4223 shall by order of the council be transferred to 8 the revolving fund. After all the bonds and warrants issued 9 on any special improvement district or sidewalk, curb, and 10 11 alley approach warrants have been fully paid, all money remaining in such district fund shall by order of the 12 13 council be transferred to and become part of the revolving 14 fund."

15 Section 6. Section 7-12-4225, NCA, is amended to read: 16 "7-12-4225. Covenants to utilize revolving fund. (1) In connection with any public offering of special 17 improvement district bonds or sidewalk, curb, and alley 13 approach warrants, the city or town council may, subject to 19 the approval of a melority of the electors of the city or 2υ 21 town voting on the question at a general or special 22 election. undertake and agree:

(a) to issue orders annually authorizing loans or
advances from the revolving fund to the district fund
involved in amounts sufficient to make good any deficiency

in the bond and interest accounts thereof to the extent that funds are available;

3 (b) to provide funds for such revolving fund pursuant 4 to the provisions of 7-12-4222(1) by annually making such 5 tax levy (or, in lieu thereof, such loan from the general 6 fund) as the city or town council may so agree to and 7 undertake, subject to the maximum limitations imposed by 8 7-12-4222(1).

9 (2) The undertakings and agreements <u>approved_by_the</u> 10 <u>electors_of_the_City_or_town</u> referred to in subsection (1) 11 shall be binding upon said city or town so long as any of 12 said special improvement district bonds or sidewalk, curb, 13 and alley approach warrants so offered or any interest 14 thereon remain unpaid."

-End-

47th Legislature

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SB 0382/02

Dollars

Approved by Committee on <u>Taxation</u>

		1	Warrant or Dollars
1	SENATE BILL NO. 382	2	(Bond No) \$
2	INTRODUCED BY TURNAGE, NORMAN	3	Interest at the rate of % per annum, payable annually.
3		4	Special Improvement District Coupon
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY AND REVISE	5	Warrant or Bond
5	THE ISSUANCE AND PAYMENT OF SPECIAL IMPROVEMENT DISTRICT AND	6	•••• Montana
6	RURAL SPECIAL IMPROVEMENT DISTRICT BONDS; CLARIFYING THAT	7	Issued by the county of Montana
7	THE BONDS ARE NDT GENERAL OBLIGATION BONDS; ELARIFYINGTHAT	8	The county treasurer of County, Montana, will pay
8	RESTRICTING THE LEVYING OF A TAX ID PROVIDE FUNDS FOR THE	9	to or bearer the sum of dollars as authorized by
9	REVOLVING FUND TO INSTANCES WHEN THE REVOLVING FUND MAY DOES	10	resolution No+ ++++ as passed on the ++++ day of +++++
10	NOT EXCEED 5 PERCENT OF THE OUTSTANDING BONDS; AND-REQUIRING	11	19, creating or maintaining the special improvement
11	THAT~+THEVOTERSAPPROVEANVAGREEMENTEBNEERNINGTHE	12	district No for the construction (or maintenance) of
12	REVOLVINGFUNDMADEINCONNECTIONWITH-A-BOND-ISSUE <u>AND</u>	13	the improvements and work performed as authorized in said
13	REQUIRING THAT FUNDS IN THE REVOLVING FUND MAY NDT BE	14	resolution to be done in said district, and all laws,
14	TRANSFERRED TO THE GENERAL FUND IF THE BALANCE IN THE	15	resolutions, and ordinances relating thereto, in payment of
15	REVOLVING FUND IS LESS THAN 5 PERCENT; AMENDING SECTIONS	16	the contract in accordance therewith. The principal and
16	7-12-2170, 7-12-2182, 7-12-2185 <u>7-12-2186</u> , 7-12-4202,	17	interest of this warrant (or bond) are payable at the office
17	7-12-4222+ AND 7-12-4225 7-12-4227+ MCA+"	18	of the county treasurer of County, Montana.
18		19	This warrant (or bond) bears interest at the rate of
19	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	20	•••• % per annum from the date of the registration of this
20	Section 1. Section 7-12-2170, MCA, is amended to read:	21	warrant (or bond), as expressed herein, until the date
21	#7-12-2170. Form of bond or warrant. Such bonds or	22	called for the redemption by the county treasurer. The
22	warrants shall be drawn in substantially the following form:	23	interest on this warrant (or bond) is payable annually on
23	District No	24	the first day of each year, unless paid previous
24	United States of America	25	thereto, and as expressed by the interest coupons hereto
25	State of Montana		

SB 382 -2-SECOND READING attached which bear the signatures of the chairman of the
 board of county commissioners and the county clerk.

3 This warrant (or bond) is payable from the collection 4 of a special tax or assessment which is a lien against the 5 real estate within said improvement districts as described 6 in said resolution hereinbefore referred to <u>and is not a</u> 7 <u>general obligation of the county</u>.

8 This warrant (or bond) is redeemable at the option of 9 the county at any time there are funds to the credit of said 10 special improvement district fund (construction and 11 maintenance) for the redemption thereof and in the manner 12 provided for the redemption of the same.

13 It is hereby certified and recited that all things 14 required to be done precedent to the issuance of this 15 warrant (or bond) have been properly done, happened, and 16 been performed in the manner prescribed by the laws of the 17 state of Montana and the resolution and ordinances of the county of, Montana, relating to the issuance thereof. 18 19 Dated at Montana, this day of 19... County of Montana. 20

21 (SEAL)

22	By ••••• chairman of the board of county commissioners•
23	(SEAL)
24	•••• County clerk
25	Registered at the office of the county treasurer of

1	•••• County• Montana• this •••• day of ••••• 19•••
2	•••• County treasurer*
3	Section 2. Section 7-12-2182, MCA, is amended to read:
4	"7-12-2182. Sources of money for revolving fund. (1)
5	For the purpose of providing funds for such revolving fund
6	the board of county commissioners:
7	(a) may, in its discretion and from time to time,
8	transfer to the revolving fund from the general fund of the
9	county such amount or amounts as may be deemed necessary,
10	which amount or amounts so transferred shall be considered
11	and shall be loans from such general fund to the revolving
12	fund; and
13	(b) shally in addition to such transfer or transfers
14	from the general fund or in lieu thereof, levy and collect
15	for such revolving fund such a tax+ hereby declared to be
16	for a public purpose, on all the taxable property in such
17	county as shall be necessary to meet the financial
18	requirements of such fund ;such-levys-together-with-such
19	transfery-not-to-exceed-in-any-one-year-5%-of-theprincipal
20	amountofthethen-outstandingrural-special-improvement
. 21	district-bonds-and-worrants. HOWEVER, A TAX MAY NOT BE
22	LEVIED_IF_THE_BALANCE IN THE REVOLVING FUND EXCEEDS 5% OF
23	THE PRINCIPAL AMOUNT OF THE THEN DUTSTANDING RURAL SPECIAL
24	IMPROVEMENT_DISTRICT_BONDS_AND_WARRANTSIF_A_TAX_IS_LEVIED.
25	THE TAX MAY NOT BE AN AMOUNT THAT WOULD INCREASE THE BALANCE

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1	IN THE REVOLVING FUND ABOVE 53 OF THE THEN OUTSTANDING RURAL
Z	SPECIAL IMPROVEMENT DISTRICT BONDS AND WARRANTS.
3	<u> 12)Thebalancein-the-revolving-fund-may-not-exceed</u>
4	5% of the principal amount of the then outstanding runs?
5	<u>speciel-improvement-district-bonds-end-warrants+</u>
6	(2)<u>(3)(</u>2) Whenever there shall be money in the
7	district fund which is not required for payment of any bond
8	or warrant of such district or of interest thereon, so much
9	of such money as may be necessary to pay the loan provided
10	for in 7-12-2183 shall, by order of the board, be
11	transferred to the revolving fund. After all the bonds and
12	warrants issued on any rural special improvement district
13	have been fully paid, all money remaining in such district
14	fund shall by the order of the board be transferred to and
15	become part of the revolving fund."
16	Section-3Section-7-12-2185;-MCA;-is-amended-to-read*
17	47-12-2185*Covenants-to-utifize-revolving-fund*(1)
18	In-connection-with-the-issuance-of-rural-special-improvement
19	districtbondsorwarrantstheboardofcounty
20	commissioners-may <u>y-subject-to-the-approyal-of-a-majorityof</u>
21	<u>theelectors-ofthecounty-voting-upon-the-guestion-ot-o</u>
22	<u>general-or-special-electiony</u> -undertake-and-agree+
23	ta}to-issueordersannuallyauthorizingloansor
24	advancesfromtherevolvingfundtothedistrict-fund
25	involved-in-amounts-sufficient-to-make-goodanydeficiency

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I	inthebondandinterest-accounts-thereofy-to-the-extent
2	that-funds-ore-availablet-and
3 -	{b}to-provide-funds-for-such-revolving-fundpursuant
4	totheprovisions-of-7-12-2182-by-annually-moking-such-tax
5	levy-fory-in-licu-thereafy-such-los n-from-the-generalfund}
6	astheboard-may-so-agree-to-and-undertakey-subject-to-the
7	maximum-limitations-imposed-by-7-12-2182*
8	{2}The-undertakings-and-agreements <u>approved-tythe</u>
9	<u>electors-of-the-county</u> shall-be-binding-upon-said-county-so
10	long-as-any-of-said-special-improvementdistrictbandsor
11	warrantsso-offered-or-any-interest-thereon-remain-unpeidw#
12	SECTION 3. SECTION 7-12-2186. MCA. IS AMENDED TO READ:
13	#7-12-2186. Utilization of excess money in revolving
14	fund. Whenever there is in the revolving fund an amount in
15	excess of the-amount-which-the-board-deems 5% of the then
16	outstanding rural special improvemnt district bonds and
17	warrants and the board considers any part of the excess to
18	<u>be greater than the amount</u> necessary for payment or
19	redemption of maturing bonds or warrants or interest
20	thereon, the board may order such-excess the amount the
21	<u>board considers greater than the amount necessary</u> or any
22	part thereof transferred to the general fund of the county."
23	Section 4. Section 7-12-4202, MCA+ is amended to read:
24	#7-12-4202. Form of bond or warrant. Such bonds or
25	warrants shall be drawn in substantially the following form:

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1	District No	1	of
2	United States of America	2	yea
3	State of Montana	3	int
4	Warrant or Dollars	4	fac
5	(Bond No) S	5	
6	Interest at the rate of •••••\$ per annum, payable	6	of
7	semi annual ly.	7	rea
8	Special Improvement District Coupon Warrant or Bond	8	in
9	••••• Montana	9	gen
10	Issued by the city of Montana	10	
11	The treasurer of the city of Hontanay will pay to	11	the
12	bearer the sum of dollars as authorized by resolution	12	spe
13	No as passed on the day of, 19 creating	13	and
14	special improvement district No for the construction	14	
15	of the improvements and the work performed as authorized by	15	req
16	said resolution to be done in said district, and all laws,	16	war
17	resolutions, and ordinances relating thereto, in payment of	17	per
18	the contract in accordance therewith. The principal and	18	of
19	interest of this warrant (or bond) are payable at the office	19	•••
20	of the city treasurer of ••••• Montana.	20	(se
21	This warrant (or bond) bears interest at the rate of	21	Dat
22	••••* per annum from the day of registration of this warrant.	22	Cit
23	(or bond), as expressed herein, until the date called for	23	
24	redemption by the city treasurer. The interest on this	24	
25	warrant (or bond) is payable semiannually on the first day	25	Reg

1	of in each year and on the first day of in each
2	year, unless paid previous thereto, and as expressed by the
3	interest coupons hereto attached, which bear the engraved
4	facsimile signature of the mayor and city clerk.
5	This warrant (or bond) is payable from the collection
6	of a special tax or assessment which is a lien against the
7	real estate within said improvement district, as described
8	in said resolution hereinbefore referred to <u>, and is not a</u>
9	general obligation of the city.
10	This warrant (or bond) is redeemable at the option of
11	the city at any time there are funds to the credit of said
12	special improvement district fund for the redemption thereof
13	and in the manner provided for the redemption of the same.
14	It is hereby certified and recited that all things
15	required to be done precedent to the issuance of this
16	warrant (or bond) have been properly done, happened and been
17	performed in the manner prescribed by the laws of the state
18	of Montana and the resolutions and ordinances of the city of
19	••••• Montanav relating to the issuance thereof.
20	(seal)
21	Dated at Montana, this day of 19
22	City of •••• Montana
23	By: Mayor
24	••••• City Clerk
25	Registered at the office of the city treasurer of •••••

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1	Montana, this day of, 19
2	••••• City Treasurer*
3	Section 5. Section 7-12-4222, MCA, is amended to read:
4	<pre>"7-12-4222. Sources of money for revolving fund. (1)</pre>
5	For the purpose of providing funds for such revolving fund
6	the city or town council:
٦	(a) may, in its discretion and from time to time,
8	transfer to the revolving fund from the general fund of the
9	city or town such amount or amounts as may be deemed
10	necessary, which amount or amounts so transferred shall be
11	deemed and considered and shall be loans from such general
12	fund to the revolving fund; and
13	(b) shall, in addition to such transfer or transfers
14	from the general fund or in lieu thereof, levy and collect
15	for such revolving fund such a tax, hereby declared to be
16	for a public purpose, on all the taxable property in such
17	city or town as shall be necessary to meet the financial
18	requirements of such fundssuch-levys-together-with-such
19	tronsfery-not-to-exceed-in-any-one-year-5%-of-theprincipal
20	amountof-the-then-outstanding-special-improvement-district
21	bondsorsidewałkyeurbyandałłeyapproachwarrants.
22	HOWEVER, A TAX MAY NOT BE LEVIED IF THE BALANCE IN THE
23	REVOLVING FUND EXCEEDS 5% OF THE PRINCIPAL AMOUNT OF THE
24	THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT BONDS AND
25	WARRANTS. IF A TAX IS LEVIED, THE TAX MAY NOT BE AN AMOUNT

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1	THAT MONTO THE BEATE THE BALANCE THE DEVOLUTING FIRIT ADOVE
-	THAT WOULD INCREASE THE BALANCE IN THE REVOLVING FUND ABOVE
2	5% OF THE THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT
3	BONDS AND WARRANTS.
4	<u>f2}Thebalance-in-the-revolving-fund-may-not-exceed</u>
5	5%-of-the-principal-amount-of-the-then-outstanding-special
6	improvement-district-bonds-or-sidewalky-curby-and-alley
7	opproach-warrontsy
8	f2; <u>13;12)</u> Whenever there shall be money in the
9	district fund which is not required for payment of any bond
10	or warrant of such district or of interest thereon, so much
11	of such money as may be necessary to pay the loan provided
12	for in 7-12-4223 shall by order of the council be
13	transferred to the revolving fund. After all the bonds and
14	warrants issued on any special improvement district or
15	sidewalk, curb, and alley approach warrants have been fully
16	paid, all money remaining in such district fund shall by
17	order of the council be transferred to and become part of
18	the revolving fund."
19	Section-GSection-7-12-4225y-MCAy-is-amended-to-read+
20	#7+12-4225#Covenants-to-utilize-revolving-fund#(1)
21	inconnectionwithonypublicofferingofspecial
22	improvement-district-bondsorsidewalkycurbyandalley
23	approachwarrantay-the-city-or-town-council-moy <u>y-aubject-to</u>
24	<u>the-approval-of-a-majority-of-the-electors-of-the-eityor</u>
25	<u>townyotingontheguestionotgeneral_orspecial</u>

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2	tatto-issueordersennuallyauthorizingtoansor
3	advancesfromtherevolvingfundtothedistrict-fund
4	involved-in-amounts-sufficient-to-make-goodanydeficiency
5	in-the-bond-and-interest-accounts-thereaf-to-the-extent-that
6	funds-are-available;
7	{b}toprovide-funds-for-such-revalving-fund-pursuant
8	to-the-provisions-of-7-12-4222(lj-byannuallymakingsuch
9	taxtevytorvin-tieu-thereofy-such-toen-from-the-generat
10	fund}-as-the-city-ortowncouncilmaysoagreetoand
11	undertakersubjecttothemaximum-limitations-imposed-by
12	7-12-4222(1) +
13	{2}The-undertakings-and-agreements <u>approved-bythe</u>
14	<u>electorsofthe-city-or-town</u> referred-to-in-subsection-(1)
15	shall-be-binding-upon-said-city-or-town-so-longasonyof
16	saidspecialimprovement-district-bonds-or-sidewalky-curby
17	and-alley-approachwarrantssoofferedoranyinterest
18	thereon-remain-unpaid="
19	SECTION 6. SECTION 7-12-4227, MCA, IS AMENDED TO READ:
20	#7-12-4227. Utilization of excess money in revolving
21	fund. Whenever there is an amount in the revolving fund in
22	excess of theomountwhichthecouncil-deems <u>5% of the</u>
23	<u>outstanding special improvement district bonds and warrants</u>
24	and the council considers any part of the excess to be
25	greater than the amount necessary for payment or redemption

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electiony undertake-and-agreet

of maturing bonds or warrants or interest thereon, the
 council may:
 (1) by vote of all of its members at a meeting called

for that purpose, order such the amount of the excess that is greater than the amount necessary for the payment or redemption of maturing bonds or warrants or interest thereon or any part thereof transferred to the general fund of such city or town; or

9	(2) use such <u>the</u> excess <u>that is greater than the</u>
10	amount necessary for the payment or redemption of maturing
11	bonds or warrants or interest thereon or any part thereof
12	for the purchase of property at sales for delinquent taxes
13	or assessments, or both, or property which may have been
14	struck off or sold to the county for delinquent taxes or
15	assessments, or both, and against which property there then
16	be any unpaid assessment for special improvements on account
17	whereof there are outstanding special improvement district
18	bonds or warrants of the city or town."

-End-

47th Legislature

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SB 0382/02

L	SENATE BILL ND. 382
2	INTRODUCED BY TURNAGE + NORMAN
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY AND REVISE
5	THE ISSUANCE AND PAYMENT OF SPECIAL IMPROVEMENT DISTRICT AND
6	RURAL SPECIAL IMPROVEMENT DISTRICT BONDS; CLARIFYING THAT
7	THE BONDS ARE NOT GENERAL OBLIGATION BONDS; ELARIFYINGTHAT
8	RESTRICTING THE LEVYING OF A TAX TO PROVIDE FUNDS FOR THE
9	REVOLVING FUND TO INSTANCES WHEN THE REVOLVING FUND MAY DOES
10	NOT EXCEED 5 PERCENT OF THE OUTSTANDING BONDS; AND-REQUIRING
11	THATTHEVOTERSAPPROVEANV-+AGREEMENTCONCERNINGTHE
12	REVOLVINGFUNDMADEINCONNECTIONWITH-A-BOND-ISSUE AND
13	REQUIRING THAT FUNDS IN THE REVOLVING FUND MAY NOT BE
14	TRANSFERRED TO THE GENERAL FUND IF THE BALANCE IN THE
15	REVOLVING FUND IS LESS THAN 5 PERCENT; AMENDING SECTIONS
16	7-12-2170, 7-12-2182, 7-12-2185 <u>7-12-2186</u> , 7-12-4202,
17	7-12-4222+ AND 7-12-4225 7-12-4227+ MCA+"
18	
19	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
20	Section 1. Section 7-12-2170, MCA, is amended to read:
21	=7-12-2170. Form of bond or warrant. Such bonds or
22	warrants shall be drawn in substantially the following form:
23	District No
24	United States of America

State of Montana

22

23

24 25

1	Warrant or Dollars
2	(Bond No) \$
3	Interest at the rate of % per annum, payable annually.
4	Special Improvement District Coupon
5	Warrant or Bond
6	••••• Montana
7	Issued by the county of+ Hontana
8	The county treasurer of County. Montana, will pay
9	to or bearer the sum of dollars as authorized by
10	resolution No as passed on the day of,
11	19 creating or maintaining the special improvement
12	district No for the construction [or maintenance] of
13	the improvements and work performed as authorized in said
14	resolution to be done in said district, and all laws,
15	resolutions, and ordinances relating thereto, in payment of
16	the contract in accordance therewith. The principal and
17	interest of this warrant (or bond) are payable at the office
18	of the county treasurer of County, Montana.
19	This warrant (or bond) bears interest at the rate of
20	•••• % per annum from the date of the registration of this
21	warrant (or bond), as expressed herein, until the date

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called for the redemption by the county treasurer. The interest on this warrant (or bond) is payable annually on

the first day of each year, unless paid previous

thereto, and as expressed by the interest coupons hereto

SB 382 THIRD READING

1	attached which bear the signatures of the chairman of the	t	County, Montana, this day of 19
2	board of county commissioners and the county clerk.	2	•••• County treasurer"
3	This warrant (or bond) is payable from the collection	3	Section 2. Section 7-12-2182; MCA; is amended to read:
4	of a special tax or assessment which is a lien against the	4	"7-12-2182. Sources of money for revolving fund. (1)
5	real estate within said improvement districts as described	5	For the purpose of providing funds for such revolving fund
5	in said resolution hereinbefore referred to and is not a	6	the board of county commissioners:
7	general obligation of the county.	7	(a) may, in its discretion and from time to time,
•	This warrant (or bond) is redeemable at the option of	8	transfer to the revolving fund from the general fund of the
)	the county at any time there are funds to the credit of said	9	county such amount or amounts as may be deemed necessary,
0	special improvement district fund (construction and	10	which amount or amounts so transferred shall be considered
	maintenance) for the redemption thereof and in the manner	11	and shall be loans from such general fund to the revolving
2	provided for the redemption of the same.	12	fund; and
J	It is hereby certified and recited that all things	13	(b) shall, in addition to such transfer or transfers
4	required to be done precedent to the issuance of this	14	from the general fund or in lieu thereof, levy and collect
5	warrant (or bond) have been properly done, happened, and	15	for such revolving fund such a tax+ hereby declared to be
5	been performed in the manner prescribed by the laws of the	16	for a public purpose, on all the taxable property in such
7	state of Montana and the resolution and ordinances of the	17	county as shall be necessary to meet the financial
8	county of Montana, relating to the issuance thereof.	18	requirements of such fund ;such-levys-together-with-such
9	Dated at Montana, this day of, 19	19	transferv-not-to-exceed-in-any-one-year-5%-of-theprincipal
20	County of ••••• Montana.	20	amountofthethen-outstandingrural-special-improvement
E.	(SEAL)	21	district-bonds-and-warrants. HOWEVER, A TAX MAY NOT BE
2	By, chairman of the board of county commissioners.	22	LEVIED IF THE BALANCE IN THE REVOLVING FUND EXCEEDS 5% OF
23	(SEAL)	23	THE PRINCIPAL ANOUNT OF THE THEN OUTSTANDING RURAL SPECIAL
24	•••• County clerk	24	IMPROVEMENT DISTRICT BONDS AND WARRANTS. IF A TAX IS LEVIED.
25	Registered at the office of the county treasurer of	25	THE TAX MAY NOT BE AN AMOUNT THAT WOULD INCREASE THE BALANCE

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SB 0382/02

1 IN THE REVOLVING FUND ABOVE 5% OF THE THEN OUTSTANDING RURAL 2 SPECIAL IMPROVEMENT DISTRICT BONDS AND WARRANTS. 3 <u>f21--The--balance--in-the-revolving-fund-may-not-exceed</u> 4 51-of-the-principal-amount-of--the--then-outstanding--rural 5 special-improvement-district-bonds-and-warrants+ 6 (2)(1) Whenever there shall be money in the 7 district fund which is not required for payment of any bond 8 or warrant of such district or of interest thereon, so much 9 of such money as may be necessary to pay the loan provided 10 in 7-12-2183 shall, by order of the board, be for 11 transferred to the revolving fund. After all the bonds and 12 warrants issued on any rural special improvement district 13 have been fully paid, all money remaining in such district 14 fund shall by the order of the board be transferred to and 15 become part of the revolving fund." 16 Section-3+--Section-7-12-2185+-NEA+-is-emended-to-read+ 17 #7-12-2185=--Eovenants-to-utilize-revolving-fund*---til 18 in-connection-with-the-issuance-of-rural-special-improvement 19 district---bonds---or---warrants----board---of--county 20 commissioners-mayy-subject-to-the-approval-of-a-majority--of the--electors--of--the--county-voting-upon-the-guestion-at-a 21 22 general-or-special-electiony-undertake-and-agree+ 23 fal--to-issue--orders--annually--authorizing--loans--or 24 advances--from--the--revolving--fund--to--the--district-fund 25 involved-in-amounts-sufficient-to-make-good--any--deficiency

1 in--the--bond--ond--interest-oceounts-thereofy-to-the-extent Z that-funds-are-available; and 3 tb)--to-provide-funds-for-such-revolving-fund--pursuant 4 to--the--provisions-of-7-12-2182-by-annually-making-such-tax 5 tevy-fory-in-ticu-thereofy-such-toon-from-the-general--fundt as--the--board-may-so-agree-to-and-undertakey-subject-to-the 6 7 maximum-limitations-imposed-by-7-12-2182w f2)--The-undertakings-and-agreements approved--by--the 8 9 electors-of-the-county shall-be-binding-upon-said-county-so 10 tong-as-any-of-said-special-improvement--district--bonds--or 11 worrants--so-offered-or-any-interest-thereon-remain-unpoids# 12 SECTION 3. SECTION 7-12-2186, MCA, IS AMENDED TO READ: 13 *7-12-2186. Utilization of excess money in revolving 14 fund. Whenever there is in the revolving fund an amount in excess of the-amount-which-the-boord-deems 5% of the then 15 16 outstanding rural special improvemnt district bonds and 17 warrants and the board considers any part of the excess to 18 be greater than the amount necessary for payment or 19 redemption of maturing bonds or warrants or interest 20 thereon, the board may order such-excess the amount the 21 board considers greater than the amount necessary or any 22 part thereof transferred to the general fund of the county." 23 Section 4. Section 7-12-4202, MCA, is amended to read: 24 "7-12-4202. Form of bond or warrant. Such bonds or 25 warrants shall be drawn in substantially the following form:

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L District No. 2 United States of America 3 State of Montana Warrant or 4 Dollars 5 (Bond No.) \$....... Interest at the rate of 6 - - - - X per anourse payable 7 semiannually. 8 Special Improvement District Coupon Warrant or Bond 9 ++++ Montana 10 Issued by the city of Montana 11 The treasurer of the city of Montanas will pay to bearer the sum of dollars as authorized by resolution 12 13 No. as passed on the day of, 19..., creating 14 special improvement district No. for the construction 15 of the improvements and the work performed as authorized by 16 said resolution to be done in said district, and all laws. 17 resolutions, and ordinances relating thereto, in payment of 18 the contract in accordance therewith. The principal and 19 interest of this warrant (or bond) are payable at the office 20 of the city treasurer of Montana. 21 This warrant (or bond) bears interest at the rate of 22* per annum from the day of registration of this warrant 23 (or bond), as expressed herein, until the date called for redemption by the city treasurer. The interest on this 24

of in each year and on the first day of in each 1 Z year, unless paid previous thereto, and as expressed by the 3 interest coupons hereto attached, which bear the engraved facsimile signature of the mayor and city clerk. 4 5 This warrant (or bond) is payable from the collection of a special tax or assessment which is a lien against the 6 real estate within said improvement district, as described 7 in said resolution hereinbefore referred to, and is not a 8 9 general obligation of the city. 10 This warrant (or bond) is redeemable at the option of 11 the city at any time there are funds to the credit of said 12 special improvement district fund for the redemption thereof 13 and in the manner provided for the redemption of the same. It is hereby certified and recited that all things 14 15 required to be done precedent to the issuance of this warrant (or bond) have been properly done, happened and been 16 17 performed in the manner prescribed by the laws of the state of Montana and the resolutions and ordinances of the city of 18 19 Montana, relating to the issuance thereof. 20 (seal) 21 Dated at Montana, this day of 19.... 22 City of Montana 23 By: Mayor 24 City Clerk 25 Registered at the office of the city treasurer of

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warrant (or bond) is payable semiannually on the first day

25

SB 382

-8-

1	Nontanay this day of 19
2	••••• City Treasurer*
3	Section 5. Section 7-12-4222, MCA, is amended to read:
4	<pre>"7-12-4222. Sources of money for revolving fund. (1)</pre>
5	For the purpose of providing funds for such revolving fund
6	the city or town council:
7	(a) may, in its discretion and from time to time,
B	transfer to the revolving fund from the general fund of the
9	city or town such amount or amounts as may be deemed
10	necessary, which amount or amounts so transferred shall be
11	deemed and considered and shall be loans from such general
12	fund to the revolving fund; and
13	(b) shall, in addition to such transfer or transfers
14	from the general fund or in lieu thereof, levy and collect
15	for such revolving fund such a tax, hereby declared to be
16	for a public purpose, on all the taxable property in such
17	city or town as shall be necessary to meet the financial
18	requirements of such fund ssuch-levys-together-with-such
19	transferv-not-to-exceed-in-any-ane-year-51-of-theprincipol
20	amountof-the-then-autstanding-special-improvement-district
21	bondsorsidewalkcurbandalleyapproachwarrants.
22	HOWEVER, A TAX MAY NOT BE LEVIED IF THE BALANCE IN THE
23	REVOLVING FUND EXCEEDS 5% OF THE PRINCIPAL AMOUNT OF THE
24	THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT BONDS AND
25	WARBANTS. IF A TAX IS LEVIED. THE TAX MAY NOT BE AN AMOUNT

1

1 THAT WOULD INCREASE THE BALANCE IN THE REVOLVING FUND ABOVE 2 53 OF THE THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT 3 BONDS AND WARRANTS. 4 121-The-balance-in-the-revolving-fund-may-not-exceed 5 <u>53-of-the-principal-amount-of-the--then-outstanding--special</u> 6 improvement--district--bonds--or--sidewelky--curby-and-alley 7 approach-warrantse 8 f2f13f(2) Whenever there shall be money in the 9 district fund which is not required for payment of any bond 10 or warrant of such district or of interest thereon, so much of such money as may be necessary to pay the loan provided 11 for in 7-12-4223 shall by order of the council be 12

13 transferred to the revolving fund. After all the bonds and 14 warrants issued on any special improvement district or 15 sidewalk, curb, and alley approach warrants have been fully 16 paid, all money remaining in such district fund shall by 17 order of the council be transferred to and become part of 18 the revolving fund.^m

 19
 Section-6x--Section-7-12-4225x-MEAx-is-amended-to-read+

 20
 #7-12-4225x--Eovenants-to-utilize-revolving-fundx---fil

 21
 In---connection--with---any---public--offering-of-special

 22
 improvement-district-bonds--ar--sidewalky--curby--and--alley

 23
 approach--worrantsy-the-city-or-town-council-may<u>x-subject-to</u>

 24
 the-approval-of-a-majority-of-the-electors-of-the-city-or

 25
 town--vating-on--the--guestion--st--s--general--or--special

-9-

SB 382

-10-

SB 0382/02

SB 0382/02

1 <u>electiony</u> undertake-and-agree# 2 council may: 2 (a)to-issueordersannuallyauthorizing-loansor 3 (1) by vote of all of its members at a me 3 advancesfromtherevolvingfundtathedistrict-fund 4 for that purpose, order such the amount of the 4 involved-in-amounts-sufficient-to-make-goodanydeficiency 5 is greater than the amount necessary for th 5 in-the-bond-and-interest-accounts-thereof-to-the-extent-that 6 redemption of maturing bonds or warrants or interest	excess <u>that</u> e_payment_or
3 (1) by vote of all of its members at a me 3 advancesfrom-therevolvingfund-te-the-district-fund 4 4 for that purpose; order such the amount of the 4 involved-in-amounts-sufficient-to-make-good-anydeficiency 5 is greater than the amount necessary for the 5 in-the-bond-and-interest-accounts-thereof-to-the-extent-that 5 is greater than the amount necessary for the	excess <u>that</u> e_payment_or
4 for that purpose, order such the amount of the 4 involved-in-amounts-sufficient-to-make-goodanydeficiency 5 is greater than the amount necessary for th	e_payment_or
5 is greater than the amount necessary for th	
	يحيون بالمحمد به يحيها
6 funds-are-availablet 7 or any part thereof transferred to the general f	und of such
7 (b)toprovide-funds-for-such-revolving-fund-pursuant 8 city or town; or	
8 to-the-provisions-of-7-12-4222(1)-byannuallymakingsuch 9 (2) use such the excess that is grea	ter than the
9 taxlevyforvin-lieu-thereofv-such-loon-from-the-general 10 amount necessary for the payment or redemption	
10 fundy-as-the-city-prtowncouncilmaysoagree-toand 11 bonds_or_warrants_or_interest thereon or any	
11 undertakevsubjecttothemoximum-limitations-imposed-by 12 for the purchase of property at sales for delin	
L2 7-12-4222(1)*	•
13 [2]The-undertakings-and-agreaments <u>approvedbythe</u> L4 struck off or sold to the county for delinguer	•
14 <u>electors-of-the-city-or-town</u> referred-to-in-subsection-(1) 15 assessments, or both, and against which propert	
15 shall-be-binding-upon-said-city-or-town-so-tongasonyof	
16 be any unpaid assessment for special improvement 16 saidspecialimprovement-district-bonds-or-sidewałky-curby	
17 whereof there are outstanding special improvem 17 and-alley-approachwerrantasoofferedorsnyinterest	at district
18 bonds or warrants of the city or town."	
19 SECTION 64 SECTION 7-12-4227, NCA, IS AMENDED TO READ: -End-	
20 *7-12-4227. Utilization of excess money in revolving	
21 fund. Whenever there is an amount in the revolving fund in	
22 excess of the	
23 outstanding special improvement district bonds and warrants	
24 and the council considers any part of the excess to be	
25 <u>greater than the amount</u> necessary for payment or redemption -12-	

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1	SENATE BILL NO. 382
2	INTRODUCED BY TURNAGE, NORMAN
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY AND REVISE
5	THE ISSUANCE AND PAYMENT OF SPECIAL IMPROVEMENT DISTRICT AND
6	RURAL SPECIAL IMPROVEMENT DISTRICT BONDS; CLARIFYING THAT
7	THE BONDS ARE NOT GENERAL OBLIGATION BONDS; GLARIFYINGTHAT
8	RESTRICTING THE LEVYING OF A TAX TO PROVIDE FUNDS FUR THE
9	REVOLVING FUND TO INSTANCES WHEN THE REVOLVING FUND MAY DOES
10	NOT EXCEED 5 PERCENT OF THE OUTSTANDING BONDS; AND-REQUIRING
11	THATTHEVOTERSAPPRBVEANYAGREEMENTCONCERNINGTHE
12	REVOLVINGFUNDHADEINEBNNEETIONWIIH-A-BOND-ISSUE AND
13	REQUIRING THAT FUNDS IN THE REVOLVING FUND MAY NOT BE
14	TRANSFERRED TO THE GENERAL FUND IF THE BALANCE IN THE
15	<u>REVOLVING FUND IS LESS THAN 5 PERCENT;</u> AMENDING SECTIONS
16	7-12-2170, 7-12-2182, 7-12-2185 <u>7-12-2186</u> , 7-12-4202,
17	7-12-4222, AND 7-12-4225 7-12-4227, MCA.*
18	

 19
 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

 20
 Section 1. Section 7-12-2170. MCA, is amended to read:

 21
 "7-12-2170. Form of bond or warrant. Such bonds or

 22
 warrants shall be drawn in substantially the following form:

 23
 District No.

 24
 United States of America

 25
 State of Montana

Dollars 1 Warrant or 2 (Bond No.) \$ 3 Interest at the rate of % per annum, payable annually. Special Improvement District Coupon 4 5 Warrant or Bond 6 Montana 7 Issued by the county of Hontana 8 The county treasurer of County, Montana, will pay 9 to or bearer the sum of dollars as authorized by resolution Nos as passed on the day of 10 19..., creating or maintaining the special improvement 11 12 district No. for the construction (or maintenance) of 13 the improvements and work performed as authorized in said resolution to be done in said district, and all laws, 14 15 resolutions, and ordinances relating thereto, in payment of 16 the contract in accordance therewith. The principal and interest of this warrant (or bond) are payable at the office 17 16 of the county treasurer of County, Montana. 19 This warrant (or bond) bears interest at the rate of

20 % per annum from the date of the registration of this
21 warrant (or bond), as expressed herein, until the date
22 called for the redemption by the county treasurer. The
23 interest on this warrant (or bond) is payable annually on
24 the first day of each year, unless paid previous
25 thereto, and as expressed by the interest coupons hereto

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REFERENCE BILL

attached which bear the signatures of the chairman of the 2 board of county commissioners and the county clerk. 3 This warrant (or bond) is payable from the collection of a special tax or assessment which is a lien against the 4 5 real estate within said improvement districts as described

in said resolution hereinbefore referred to and is not a 6 7 general obligation of the county.

8 This warrant (or bond) is redeemable at the option of 9 the county at any time there are funds to the credit of said 10 special improvement district fund (construction and 11 maintenance) for the redemption thereof and in the manner provided for the redemption of the same. 12

13 It is hereby certified and recited that all things 14 required to be done precedent to the issuance of this warrant (or bond) have been properly done, happened, and 15 been performed in the manner prescribed by the laws of the 16 17 state of Montana and the resolution and ordinances of the 18 county of Montana, relating to the issuance thereof. Dated at Montana, this day of 19... 19 20 County of Montana.

21 (SEAL)

1

22 By, chairman of the board of county commissioners. 23 (SEAL) 24 County clerk 25 Registered at the office of the county treasurer of

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.... County. Montana, this day of 19.... 1 2 •••• County treasurer* 3 Section 2. Section 7-12-2182, MCA, is amended to read: "7-12-2182. Sources of money for revolving fund. (1) 4 5 For the purpose of providing funds for such revalving fund the board of county commissioners: 6 7 (a) may, in its discretion and from time to time, 8 transfer to the revolving fund from the general fund of the 9 county such amount or amounts as may be deemed necessary, 10 which amount or amounts so transferred shall be considered 11 and shall be loans from such general fund to the revolving 12 fund: and 13 (b) shall, in addition to such transfer or transfers 14 from the general fund or in lieu thereof, levy and collect 15 for such revolving fund such a tax, hereby declared to be 16 for a public purpose, on all the taxable property in such 17 county as shall be necessary to meet the financial requirements of such fund+-such--levy---together--with--such 18 19 transfery--not-to-exceed-in-any-one-year-5%-of-the-principal 20 amount-of-the--then-outstanding--rurai--special--improvement

21 district--bonds--and--warrants. HOWEVER, A TAX MAY NOT BE

LEVIED IF THE BALANCE IN THE REVOLVING FUND EXCEEDS 53 OF 22

- 23 THE PRINCIPAL AMOUNT OF THE THEN OUTSTANDING RURAL SPECIAL
- 24 IMPROVEMENT DISTRICT BONDS AND WARRANTS. IF A TAX IS LEVIED,

THE TAX MAY NOT BE AN AMOUNT THAT WOULD INCREASE THE BALANCE 25

ι	IN THE REVOLVING FUND ABOVE 53 OF THE THEN OUTSTANDING RURAL
2	SPECIAL IMPROVEMENT DISTRICT BONDS AND WARRANTS.
3	<u>127The-balance-in-the-revolving-fund-maynotexceed</u>
4	<u>5*oftheprincipalamount-of-the-then-outstanding-rural</u>
5	<u>soccial-improvement-district-bonds-and-warrants-</u>
6	{2}<u>{</u>2}(2) Whenever there shall be money in the
7	district fund which is not required for payment of any bond
8	or warrant of such district or of interest thereon, so much
9	of such money as may be necessary to pay the loan provided
19	for in 7-12-2183 shall, by order of the board, be
11	transferred to the revolving fund. After all the bonds and
12	warrants issued on any rural special improvement district
13	have been fully paid, all money remaining in such district
14	fund shall by the order of the board be transferred to and
15	become part of the revolving fund."
16	Section-3+Section-7-12-2185v-MCAv-is-amended-to-read+
17	47-12-2185#Eovenantsto-utilize-revolving-fund#(1)
18	In-connection-with-the-issuance-of-rural-special-improvement
19	districtbondsorwarrantsytheboardofcounty
20	commissionersmay <u>y-subject-to-the-approval-of-a-majority-of</u>
21	<u>the-electors-of-the-county-voting-upon-the-guestion-st-g</u>
22	<u>general-or-special-electiony-undertake-and-agree+</u>
23	tajtoissueordersannualtyauthorizingtouns-or
24	advances-fromtherevolvingfundtothedistrictfund
25	involvedinamounts-sufficient-to -make-good-any-deficiency

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1	in-the-bond-and-interest-accountsthereofytotheextent
2	that-funds-are-availables-and
3	{b}toprovide-funds-for-such-revolving-fund-pursuant
4	to-the-provisions-of-7-12-2102-by-annually-makingsuchtax
5	levytorr-in-lieu-thereofr-such-loan-from-the-general- fund)
6	as-the-board-may-so-agree-to-and-undertakey-subjecttothe
7	maximum-limitations-imposed-by-7-12-2182*
8	{2}Theundertakingsandagreements <u>approved-by-the</u>
9	<u>electors-of-the-countr</u> shall-be-binding-upon-said-countyso
10	tongasanyof-said-special-improvement-district-bonds-or
11	warrants-so-offered-or-any-interest-thereon-remainunpaid="
12	SECTION_3. SECTION 7-12-2186. MCA. IS AMENDED TO READ:
13	*7-12-2186. Utilization of excess money in revolving
14	fund. Whenever there is in the revolving fund an amount in
15	excess of theamount-which-the-board-deems <u>5% of the then</u>
16	outstanding rural special improvement district bonds and
17	warrants and the board considers any part of the excess to
18	be greater than the amount necessary for payment or
19	redemption of maturing bonds or warrants or interest
20	thereon, the board may order suchexcess the amount the
21	<u>board considers greater than the amount necessary</u> or any
22	part thereof transferred to the general fund of the county."
23	Section 4. Section 7-12-4202, MCA, is amended to read:
24	"7-12-4202。 Form of bond or warrant。 Such bonds or
25	warrants shall be drawn in substantially the following form:

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L District No. 2 United States of America 3 State of Montana 4 Warrant or Dollars (Bond No.) 5 \$ 6 Interest at the rate of% per annum. payable 7 semiannually. 8 Special Improvement District Coupon Warrant or Bond 9 Montana 10 Issued by the city of, Montana 11 The treasurer of the city of Montana, will pay to 12 bearer the sum of dollars as authorized by resolution 13 No. as passed on the day of 19..., creating 14 special improvement district No. for the construction 15 of the improvements and the work performed as authorized by 16 said resolution to be done in said district, and all laws, 17 resolutions, and ordinances relating thereto, in payment of 18 the contract in accordance therewith. The principal and 19 interest of this warrant (or bond) are payable at the office 20 of the city treasurer of Montana. 21 southis warrant (or bond) bears interest at the rate of 22 "...."" per annum from the day of registration of this warrant 23 (or bond), as expressed herein, until the date called for 24 redemption by the city treasurer. The interest on this

1 of in each year and on the first day of in each 2 year, unless paid previous thereto, and as expressed by the 3 interest coupons hereto attached, which bear the engraved facsimile signature of the mayor and city clerk. 4 5 This warrant (or bond) is payable from the collection 6 of a special tax or assessment which is a lien against the 7 real estate within said improvement district. as described 8 in said resolution hereinbefore referred to, and is not a 9 general obligation of the city. 10 This warrant (or bond) is redeemable at the option of 11 the city at any time there are funds to the credit of said 12 special improvement district fund for the redemption thereof 13 and in the manner provided for the redemption of the same. 14 It is hereby certified and recited that all things 15 required to be done precedent to the issuance of this 16 warrant (or bond) have been properly done, happened and been 17 performed in the manner prescribed by the laws of the state 18 of Montana and the resolutions and ordinances of the city of 19, Montana, relating to the issuance thereof. 20 (seal) 21 Dated at Montanay this day of 19... 22 City of Montana 23 By: Mayor 24 City Clerk 25 Registered at the office of the city treasurer of

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warrant (or bond) is payable semiannually on the first day

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1	Montana, this day of 19	ı	THAT WOULD INCREASE THE BALANCE IN THE REVOLVING FUND ABOVE
2	••••• City Treasurer*	2	5% OF THE THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT
3	Section 5. Section 7-12-4222, MCA, is amended to read:	3	BONDS_AND_WARRANTS.
4	"7-12-4222. Sources of money for revolving fund. (1)	4	<u>t27Thebalancein-the-revolving-fund-may-not-exceed</u>
5	For the purpose of providing funds for such revolving fund	5	5%-of-the-principal-amount-of-thethen-autatendingspecial
6	the city or town council:	6	<u>improvementdistrictbondsorsidewałkycurby-and-alley</u>
7	(a) may, in its discretion and from time to time,	7	approach-werrentaw
8	transfer to the revolving fund from the general fund of the	8	{2}<u>{3</u>}(2) Whenever there shall be money in the
9	city or town such amount or amounts as may be deemed	9	district fund which is not required for payment of any bond
10	necessary, which amount or amounts so transferred shall be	10	or warrant of such district or of interest thereon, so much
11	deemed and considered and shall be loans from such general	11	of such money as may be necessary to pay the loan provided
12	fund to the revolving fund; and	12	for in 7-12-4223 shall by order of the council be
13	(b) shall, in addition to such transfer or transfers	13	transferred to the revolving fund. After all the bonds and
14	from the general fund or in lieu thereof, levy and collect	14	warrants issued on any special improvement district or
15	for such revolving fund such a tax, hereby declared to be	15	sidewalk, curb, and alley approach warrants have been fully
16	for a public purpose, on all the taxable property in such	16	paid, all money remaining in such district fund shall by
17	city or town as shall be necessary to meet the financial	17	order of the council be transferred to and become part of
18	requirements of such fund]such-levy-together-with-such	18	the revolving fund."
19	transfery-not-to-exceed-in-any-one-year-5%-of-theprincipal	- 19	Section-6Section-7-12-4225-HEAv-is-amended-to-read+
. 20	amountof-the-then-outstanding-special-improvement-district	20	#7-12-4225***Eovenants-to-utilize-ravolving-fund*{}}
21	bondsorsidewałkwcurbwandałteyapproachwarrants.	21	Inconnectionwithanypublicafferingafspecial
22	HOWEVER, A TAX MAY NOT BE LEVIED IF THE BALANCE IN THE	22	improvement-district-bondsorsidewalkycurbyandalley
23	REVOLVING FUND EXCEEDS 5% OF THE PRINCIPAL AMOUNT OF THE	. 23	approachwarrants-the-city-or-town-council-moy<u>-subject-to</u>
24	THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT BONDS AND	24	<u>the_gpproval-of-a-majority-of-the-electors-ofthecityor</u>
25	WARRANTS. IF A TAX IS LEVIED, THE TAX MAY NOT BE AN AMOUNT	25	<u>townvatingontheguestionotageneralorspecial</u>

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L	THAT HOULD INCREASE THE BALANCE IN THE REVOLVING FUND ABOVE
2	5% OF THE THEN OUTSTANDING SPECIAL IMPROVEMENT DISTRICT
3	BONDS_AND_WARRANTS.
4	<u>{?}Thebalancein-the-revolving-fund-may-not-exceed</u>
5	5%-of-the-principal-amount-of-thethen-outstandingspecial
6	improvementdistrictbondsorsidewolkycurby-and-alley
7	<u>approach-warrantaw</u>
8	f2} <u>t3;t(2)</u> Whenever there shall be money in the
9	district fund which is not required for payment of any bond
10	or warrant of such district or of interest thereon, so much
11	of such money as may be necessary to pay the loan provided
12	for in 7-12-4223 shall by order of the council be
13	transferred to the revolving fund. After all the bonds and
14	warrants issued on any special improvement district or
15	sidewalk, curb, and alley approach warrants have been fully
16	paid, all money remaining in such district fund shall by
17	order of the council be transferred to and become part of
18	the revolving fund."
19	Section-6Section-7-12-4225-MGAy-is-amended-to-reade
20	#7-12-4225+Covenants-to-utilize-revolving-fund+{i}
21	fnconnectionwithonypublicofferingofspecial
22	improvement-district-bondsorsidewalkycurbyandslley

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1	<u>electiony</u> undertake-and-agreet
2	ta)to-issueordersannuollyauthorizi nglo ansor
3	advancesfromtherevolvingfundtothedistrict-fund
4	involved-in-amounts-sufficient-to-make-goodanydeficiency
5	in-the-bond-and-interest-accounts-thereo f-to-the-extent-that
6	funds-ore-availablet
ז	{b}toprovide-funds-for-such-revolving-fund-pursuant
8	to-the-provisions-of-7-12-4222(1)-byannuallymakingsuch
9	tax levytoryin-lieu-thereofy- such-loan-from-the-general
10	fund}-as-the-city-ortowncouncilmaysoagreetoand
11	undertakeysubjecttothemaximum-limitations-imposed-by
12	7-12-4222+17+
13	{2}The-undertakings-and-agreements <u>approvedbythe</u>
14	<u>electors-of-the-city-or-town</u> referred-to-in-subsection-(1)
15	shall-be-binding-upon-soid-city-or-town-so-longasonyof
16	saidspecislimprovement-district-bonds-or-sidewalky-curby
17	and-alley-approachwarrantssoofferedoranyinterest
18	thereon-remain-unpaid*"
19	SECTION 6. SECTION 7-12-4227, MCA, IS AMENDED TO READ:
- 20	"7-12-4227. Utilization of excess money in revolving
21	fund. Whenever there is an amount in the revolving fund in
22	excess of theomountwhichthecouncil-deems <u>5% of the</u>
23	<u>outstanding special improvement district bonds and warrants</u>
24	and the council considers any part of the excess to be
25	greater than the amount necessary for payment or redemption

of maturing bonds or warrants or interest thereon, the
 council may:
 (1) by vote of all of its members at a meeting called

for that purpose, order such the amount of the excess that
is greater than the amount necessary for the payment or
redemption of maturing bonds or warrants or interest thereon
or any part thereof transferred to the general fund of such
city or town; or
(2) use such the excess that is greater than the

10 amount <u>necessary</u> for the payment or redemption of maturing 11 bonds or warrants or interest thereon or any part thereof 12 for the purchase of property at sales for delinquent taxes 13 or assessments, or both, or property which may have been 14 struck off or sold to the county for delinquent taxes or 15 assessments, or both, and against which property there then 16 be any unpaid assessment for special improvements on account 17 whereof there are outstanding special improvement district 18 bonds or warrants of the city or town."

-End-

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