

SENATE BILL NO. 89

Introduced: 01/10/83

Referred to Committee on Local Government: 01/10/83

Hearing: 1/18/83

Died in Committee.

SENATE BILL NO. 89
 INTRODUCED BY Sen. Selma Taylor Norman

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FUNDS FOR A RURAL IMPROVEMENT DISTRICT REVOLVING FUND BY ALLOWING AN AMOUNT UP TO 5 PERCENT OF THE IMPROVEMENT COST TO BE AN INITIAL DISTRICT EXPENSE TO BE DEPOSITED IN THE REVOLVING FUND; PROVIDING FOR THE DISPOSITION OF THE INITIAL REVOLVING FUND MONEY ON COMPLETION OF BOND PAYMENTS; AMENDING SECTIONS 7-12-2169 AND 7-12-2182, MCA."

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

Section 1. Section 7-12-2169, MCA, is amended to read:

"7-12-2169. Use of bonds and warrants. (1) All costs and expenses incurred in any improvement district in the construction or maintenance of any improvement specified in this part shall be paid for by special improvement district bonds or warrants.

(2) ~~The cost of any improvement may, at the option of the board of county commissioners, include an amount up to 5% of the principal amount of any bonds or warrants to be issued, which amount shall be deposited in the revolving fund created in 7-12-2181.~~

(3) The board of county commissioners shall provide for making payments for maintenance or improvements in any

rural improvement district by the method provided in 7-12-2172 and 7-12-2173."

Section 2. Section 7-12-2182, MCA, is amended to read:

"7-12-2182. Sources of money for revolving fund. (1)

For the purpose of providing funds for such revolving fund the board of county commissioners:

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

~~(ii) may include in the cost of the improvement to be defrayed from the proceeds of the bonds or warrants an amount up to 5% of the principal amount of the bonds or warrants and deposit it in the revolving fund upon receipt of such proceeds; and~~

(b) shall, in addition to such transfer or transfers from the general fund or in lieu thereof, levy and collect for such revolving fund such a tax, hereby declared to be for a public purpose, on all the taxable property in such county as shall be necessary to meet the financial requirements of such fund. However, a tax may not be levied if the balance in the revolving fund exceeds 5% of the principal amount of the then-outstanding rural special

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1 improvement district bonds and warrants. If a tax is levied,
2 the tax may not be an amount that would increase the balance
3 in the revolving fund above 5% of the then-outstanding rural
4 special improvement district bonds and warrants.

5 (2) Whenever there shall be money in the district fund
6 which is not required for payment of any bond or warrant of
7 such district or of interest thereon, so much of such money
8 as may be necessary to pay the loan provided for in
9 7-12-2183 shall, by order of the board, be transferred to
10 the revolving fund. After all the bonds and warrants issued
11 on any rural special improvement district have been fully
12 paid, all money remaining in such district fund shall by the
13 order of the board be transferred to and become part of the
14 revolving fund."

15 ~~NEW SECTION.~~ Section 3. Disposition of funds
16 deposited in revolving fund. Any funds without interest
17 deposited in the revolving fund under 7-12-2169(2), less the
18 amount of any loan to the district fund not repaid, may be
19 returned to the owners of record of the property of the
20 district in direct proportion of the original assessment on
21 each piece of property, or as an alternative the board of
22 county commissioners may transfer the funds placed in the
23 revolving fund as a result of 7-12-2169(2) to the general
24 fund after the final payment of the district's bonds or
25 warrants is made.

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