

SENATE BILL NO. 458

Introduced: 02/16/83

Referred to Committee on Local Government: 02/16/83

Hearing: 2/17/83

Report: 02/18/83, Do Not Pass. Report Adopted.

Bill Killed.

1 Senate BILL NO. 458
2 INTRODUCED BY Norman

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REMOVE THE
5 AUTHORIZATION FOR USE OF A GENERAL PROPERTY TAX TO FUND
6 REVOLVING FUNDS OF COUNTY RURAL IMPROVEMENT DISTRICTS AND
7 MUNICIPAL SPECIAL IMPROVEMENT DISTRICTS CREATED AFTER
8 OCTOBER 1, 1983; AMENDING SECTIONS 7-12-2182, 7-12-2185,
9 7-12-4222, AND 7-12-4225, MCA."

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

12 Section 1. Section 7-12-4222, MCA, is amended to read:

13 "7-12-4222. Sources of money for revolving fund. (1)

14 For the purpose of providing funds for such revolving fund
15 the city or town council:

16 (a) (i) may, in its discretion and from time to time,
17 transfer to the revolving fund from the general fund of the
18 city or town such amount or amounts as may be deemed
19 necessary, which amount or amounts so transferred shall be
20 deemed and considered and shall be loans from such general
21 fund to the revolving fund; and

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

1 of such proceeds; and

2 (b) shall, ~~for a district created prior to October 1,~~
3 ~~1983,~~ in addition to such transfer or transfers from the
4 general fund or in lieu thereof, levy and collect for such
5 revolving fund such a tax, hereby declared to be for a
6 public purpose, on all the taxable property in such city or
7 town as shall be necessary to meet the financial
8 requirements of such fund. However, a tax may not be levied
9 if the balance in the revolving fund exceeds 5% of the
10 principal amount of the then-outstanding special improvement
11 district bonds and warrants. If a tax is levied, the tax may
12 not be an amount that would increase the balance in the
13 revolving fund above 5% of the then-outstanding special
14 improvement district bonds and warrants.

15 (2) Whenever there shall be money in the district fund
16 which is not required for payment of any bond or warrant of
17 such district or of interest thereon, so much of such money
18 as may be necessary to pay the loan provided for in
19 7-12-4223 shall by order of the council be transferred to
20 the revolving fund. After all the bonds and warrants issued
21 on any special improvement district or sidewalk, curb, and
22 alley approach warrants have been fully paid, all money
23 remaining in such district fund shall by order of the
24 council be transferred to and become part of the revolving
25 fund."

Section 2. Section 7-12-4225, MCA, is amended to read:

"7-12-4225. Covenants to utilize revolving fund. (1)

In connection with any public offering of special improvement district bonds or sidewalk, curb, and alley approach warrants, the city or town council may 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;

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

~~(c) to provide funds for such revolving fund pursuant to the provisions of 7-12-4222(1)(a) by annually making a loan from the general fund.~~

(2) The undertakings and agreements referred to in subsection (1) shall be binding upon said city or town so long as any of said special improvement district bonds or sidewalk, curb, and alley approach warrants so offered or any interest thereon remain unpaid."

Section 3. 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) 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

(b) shall, ~~for a district created prior to October 1, 1983~~ 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 improvement district bonds and warrants. If a tax is levied, the tax may not be an amount that would increase the balance in the revolving fund above 5% of the then-outstanding rural special improvement district bonds and warrants.

(2) Whenever there shall be money in the district fund which is not required for payment of any bond or warrant of

1 such district or of interest thereon, so much of such money
 2 as may be necessary to pay the loan provided for in
 3 7-12-2183 shall, by order of the board, be transferred to
 4 the revolving fund. After all the bonds and warrants issued
 5 on any rural special improvement district have been fully
 6 paid, all money remaining in such district fund shall by the
 7 order of the board be transferred to and become part of the
 8 revolving fund."

9 Section 4. Section 7-12-2185, MCA, is amended to read:
 10 "7-12-2185. Covenants to utilize revolving fund. (1)
 11 In connection with the issuance of rural special improvement
 12 district bonds or warrants, the board of county
 13 commissioners may undertake and agree:

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

19 (b) to provide funds for such revolving fund pursuant
 20 to the provisions of 7-12-2182(1)(b) by annually making such
 21 tax levy ~~for in lieu thereof, such loan from the general~~
 22 ~~fund~~ as the board may so agree to and undertake, subject to
 23 the maximum limitations imposed by 7-12-2182(1)(b) and

24 ~~(c) to provide funds for such revolving fund pursuant~~
 25 ~~to the provisions of 7-12-2182(1)(c) by annually making a~~

1 ~~loan from the general fund.~~

2 (2) The undertakings and agreements shall be binding
 3 upon said county so long as any of said special improvement
 4 district bonds or warrants so offered or any interest
 5 thereon remain unpaid."

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