

HOUSE BILL NO. 951

3/27 Introduced
3/27 Referred to Appropriations
4/04 Hearing
Died in Committee

1 HOUSE BILL NO. 951
 2 INTRODUCED BY Paul Vincent
 3 W. Volkering Don Boylan Steve Ehrlich

4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE
 5 ISSUANCE AND SALE OF BONDS TO FINANCE THE CONSTRUCTION OF
 6 CERTAIN UNIVERSITY SYSTEM BUILDINGS; APPROPRIATING THE
 7 PROCEEDS; AMENDING SECTION 17-5-405, MCA; AND PROVIDING A
 8 CONTINGENT EFFECTIVE DATE."

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

10 NEW SECTION. Section 1. Bonds for university
 11 buildings. (1) The board of examiners is authorized to issue
 12 and sell bonds upon the conditions and in the manner stated
 13 in Title 17, chapter 5, part 8, in an amount not to exceed
 14 \$30,000,000 for the purpose of acquiring, constructing, and
 15 equipping buildings as provided in [section 2]. The
 16 authority granted to the board by this section is in
 17 addition to any other authorization to the board to issue
 18 and sell bonds.

19 (2) The proceeds of the bonds authorized by subsection
 20 (1) must be deposited in the capital projects fund created
 21 by 17-5-401.

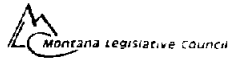
22 NEW SECTION. Section 2. Appropriation. The following
 23 money is appropriated from the capital projects fund to the
 24 Department of Administration for the indicated capital
 25

- 1 projects:
- 2 (1) Business Administration Building,
 3 University of Montana \$8,847,000
 - 4 (2) Engineering and Science Building,
 5 Montana State University \$7,618,000
 - 6 (3) Vocational-Technical Teaching Center,
 7 Northern Montana College \$4,728,000
 - 8 (4) Classroom Building,
 9 Eastern Montana College \$6,807,000

10 NEW SECTION. Section 3. Pledge of certain excess
 11 money. The state pledges and appropriates the excess money
 12 identified under 17-5-405(5) to pay principal, interest, and
 13 redemption premium, if any, on bonds issued under this bond
 14 act.

15 Section 4. Section 17-5-405, MCA, is amended to read:
 16 "17-5-405. Debt service account. (1) From and after
 17 the pledge and appropriation of any special tax to the debt
 18 service account, as provided and contemplated in this
 19 section, 17-5-407, and 17-5-408, such tax shall continue in
 20 force and shall be available and shall be pledged and
 21 appropriated for the payment of long-range building program
 22 bonds, and all moneys received from the collection thereof
 23 shall be deposited by the treasurer to the credit of the
 24 debt service account.

25 (2) No special taxes pledged to the debt service



1 account on January 1, 1973, shall be discontinued or
 2 diverted to other funds until all bonds issued pursuant to
 3 this part prior to that date and the interest thereon have
 4 been fully paid or the state's liability thereon has been
 5 fully discharged, except to the extent, if any, that the
 6 right so to do has been reserved in the resolutions
 7 authorizing the issuance of such bonds.

8 (3) Subject to the provisions of subsections (1) and
 9 (2), the state reserves the right to modify from time to
 10 time the nature and amount of special taxes to be deposited
 11 to the credit of the debt service account.

12 (4) Money in the debt service account shall be used:
 13 first, to pay interest and principal when due on long-range
 14 building program bonds; second, to accumulate a reserve in
 15 the amount required below, for the further security of such
 16 payments; and third, to maintain this reserve in an amount
 17 at least equal, after each interest and principal payment,
 18 to the maximum amount of interest and principal which will
 19 become due on all such bonds which are then outstanding in
 20 any subsequent fiscal year.

21 (5) Money at any time received in the debt service
 22 account in excess of the principal, interest, and reserve
 23 requirements stated in subsection (4) ~~shall be transferred~~
 24 ~~by the treasurer to the general fund~~ is pledged and
 25 appropriated as provided in [section 3]. If the balance at

1 any time on hand in the debt service account is not
 2 sufficient for compliance with subsection (4), the treasurer
 3 shall credit to said account an amount sufficient to restore
 4 said balance from the next collections of the special taxes
 5 appropriated to said account and from any other collections
 6 of taxes appropriated to the general fund, not exceeding the
 7 aggregate amount theretofore transferred from the debt
 8 service account to the general fund."

9 NEW SECTION. Section 5. Two-thirds majority --
 10 effective date. If passed by a two-thirds majority of each
 11 house of the legislature, as required by 17-5-801, and
 12 approved, this act is effective on July 1, 1986.

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