SENATE BILL NO. 97

INTRODUCED BY THAYER, J. BROWN

BY REQUEST OF THE DEPARTMENT OF COMMERCE

IN THE SENATE

	IN THE SENATE
JANUARY 13, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
JANUARY 21, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
JANUARY 22, 1987	PRINTING REPORT.
JANUARY 24, 1987	SECOND READING, DO PASS.
JANUARY 26, 1987	ENGROSSING REPORT.
JANUARY 27, 1987	THIRD READING, PASSED.
	TRANSMITTED TO HOUSE.
	IN THE HOUSE
FEBRUARY 4, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & LABOR.
MARCH 4, 1987	COMMITTEE RECOMMEND BILL BE
	CONCURRED IN. REPORT ADOPTED.
MARCH 6, 1987	CONCURRED IN. REPORT ADOPTED. SECOND READING, CONCURRED IN.
MARCH 6, 1987 MARCH 7, 1987	
	SECOND READING, CONCURRED IN. THIRD READING, CONCURRED IN.
	SECOND READING, CONCURRED IN. THIRD READING, CONCURRED IN. AYES, 88; NOES, 0.

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

MARCH 9, 1987

. .

2 INTRODUCED BY FIG. BLEL NO. 27
3 BY REQUEST OF THE DEPARTMENT OF COMMER

4

7

8

9

10

11

12

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE DEFINITION OF A FINANCIAL INSTITUTION; TO INCREASE THE LIMITATION ON THE TOTAL OUTSTANDING INDEBTEDNESS OF THE MONTANA ECONOMIC DEVELOPMENT BOARD; TO DELETE ANNUAL EXAMINATIONS BY BANK EXAMINERS OF LOANS AND INVESTMENTS TO LOCAL GOVERNMENT UNITS; TO CHANGE THE DUE DATE OF THE BOARD'S ANNUAL FINANCIAL REPORT; AMENDING SECTIONS 17-5-1503, 17-5-1608, 17-5-1649, AND 17-5-1650, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

13 14

25

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

16 Section 1. Section 17-5-1503, MCA, is amended to read:

17 "17-5-1503. Definitions. As used in this part, unless

18 the context requires otherwise, the following definitions

19 apply:

20 (1) "Board" means the Montana economic development

21 board created in 2-15-1805.

22 (2) "Bond" means any bond, note, debenture, interim

23 certificate, or other evidence of financial indebtedness

24 issued by the board pursuant to this part.

(3) "Department" means the department of commerce

provided for in 2-15-1801.

1

3

5

6

я

10

11

12

13

14

15

(4) "Financial institution" means any bank, savings and loan association, credit union, development credit corporation, insurance company, investment company, trust company, savings institution, or other financial institution approved by the board and--maintaining--an-office-in-the state.

- (5) "Local government" means the city in which the project is located, if the project is located within an incorporated municipality, or the county if the project is located within the county but outside the boundaries of an incorporated municipality.
- (6) "Major project" means a project whose cost or appraised value exceeds \$800,000.
- (7) "Project" means a project as defined in 90-5-101.
- 16 (8) "Project costs" means the costs of acquiring or 17 improving any project, including the following:
- (a) the actual cost of acquiring or improving real
 estate for any project;
- 20 (b) the actual cost of construction of all or any part
 21 of a project, including architects' and engineers' fees;
- (c) all expenses in connection with the authorization,
- 23 sale, and issuance of the bonds to finance such acquisition
- 24 or improvement;
- 25 (d) bond reserves and premiums for insurance or

15

16

17

18

19

20

1 guaranty of loan payments or lease rentals pledged to pay
2 the bonds; and

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

(e) the interest on such bonds for a reasonable time prior to construction, during construction, and not exceeding 6 months after completion of construction."

Section 2. Section 17-5-1608, MCA, is amended to read:
"17-5-1608. Limitations on amounts. The board may not
issue any bonds or notes that cause the total outstanding
indebtedness of the board under this part (except for bonds
or notes issued to fund or refund other outstanding bonds or
notes or to purchase registered warrants or tax or revenue
anticipation notes of a local government as defined in
7-6-1101) to exceed \$25 \$50 million."

Section 3. Section 17-5-1649, MCA, is amended to read:

"17-5-1649. Annual audits <u>audit</u>. (1)--At--least--once
each--year,--the--bank--examiners--of--the--department-shall
examine-loans-and-investments-of-the-board--The-actual--cost
of-this-examination-must-be-paid-from-the-board-s-funds-

t2) The board's books and records must be audited at least once each fiscal year by or at the direction of the legislative auditor. The actual costs of the audit shall be paid from the board's funds."

Section 4. Section 17-5-1650, MCA, is amended to read:

"17-5-1650. Annual report. By September-1 December 31

of each year, the board shall publish a financial report for

distribution to the governor, the legislature, and the public. The report must include a statement of the board's 2 current financial position with respect to its activities under this part, a summary of its activities pursuant to this part during the previous year (including a listing of the local governmental securities purchased by the board, a listing of the bonds and notes sold by the board, and a 7 summary of the performance of any other investments of the board's funds received under this part), an estimate of the Q. levels of such activities for the next year, and a 1.0 comparison of such activities during the previous year with 11 the estimates of those activities that were made in the 12 previous annual report." 13

NEW SECTION. Section 5. Extension of authority. Any existing authority of the department of commerce and the Montana economic development board to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 6. Effective date. This act is effective on passage and approval.

-End-

APPROVED BY COMM. ON BUSINESS & INDUSTRY

1 BY REQUEST OF THE DEPARTMENT OF COMMERCE

4

7

9

10

11

12

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE DEFINITION OF A FINANCIAL INSTITUTION; TO INCREASE THE LIMITATION ON THE TOTAL OUTSTANDING INDEBTEDNESS OF THE DEVELOPMENT BOARD; TO DELETE ANNUAL ECONOMIC MONTANA EXAMINATIONS BY BANK EXAMINERS OF LOANS AND INVESTMENTS TO LOCAL GOVERNMENT UNITS; TO CHANGE THE DUE DATE OF THE AMENDING SECTIONS BOARD'S ANNUAL FINANCIAL REPORT; 17-5-1503, 17-5-1608, 17-5-1649, AND 17-5-1650, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

13 14 15

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

16 Section 1. Section 17-5-1503, MCA, is amended to read:
17 "17-5-1503. Definitions. As used in this part, unless
18 the context requires otherwise, the following definitions
19 apply:

- 20 (1) "Board" means the Montana economic development 21 board created in 2-15-1805.
- 22 (2) "Bond" means any bond, note, debenture, interim 23 certificate, or other evidence of financial indebtedness 24 issued by the board pursuant to this part.
- 25 (3) "Department" means the department of commerce

provided for in 2-15-1801.

- (4) "Financial institution" means any bank, savings and loan association, credit union, development credit corporation, insurance company, investment company, trust company, savings institution, or other financial institution approved by the board and--maintaining--an-office-in-the state.
- 8 (5) "Local government" means the city in which the
 9 project is located, if the project is located within an
 10 incorporated municipality, or the county if the project is
 11 located within the county but outside the boundaries of an
 12 incorporated municipality.
- 13 (6) "Major project" means a project whose cost or 14 appraised value exceeds \$800,000.
 - (7) "Project" means a project as defined in 90-5-101.
- 16 (8) "Project costs" means the costs of acquiring or 17 improving any project, including the following:
- 18 (a) the actual cost of acquiring or improving real
 19 estate for any project;
- (b) the actual cost of construction of all or any partof a project, including architects' and engineers' fees;
- (c) all expenses in connection with the authorization,sale, and issuance of the bonds to finance such acquisition
- 24 or improvement;

15

25 (d) bond reserves and premiums for insurance or



previous annual report."

guaranty of loan payments or lease rentals pledged to pay
the bonds; and

3

4

5

6

7

8

10

11

12

13

19

20

21

22

- (e) the interest on such bonds for a reasonable time prior to construction, during construction, and not exceeding 6 months after completion of construction."
- Section 2. Section 17-5-1608, MCA, is amended to read:
 "17-5-1608. Limitations on amounts. The board may not
 issue any bonds or notes that cause the total outstanding
 indebtedness of the board under this part (except for bonds
 or notes issued to fund or refund other outstanding bonds or
 notes or to purchase registered warrants or tax or revenue
 anticipation notes of a local government as defined in
 7-6-1101) to exceed \$25 \$50 million."
- Section 3. Section 17-5-1649, MCA, is amended to read:

 "17-5-1649. Annual audits <u>audit</u>. (1)--At--least--once
 each--year7--the--bank--examiners--of--the--department-shall
 examine-loans-and-investments-of-the-board-The-actual--cost
 of-this-examination-must-be-paid-from-the-board's-funds-
 - (2) The board's books and records must be audited at least once each fiscal year by or at the direction of the legislative auditor. The actual costs of the audit shall be paid from the board's funds."
- 23 Section 4. Section 17-5-1650, MCA, is amended to read:
 24 "17-5-1650. Annual report. By September-1 December 31
 25 of each year, the board shall publish a financial report for

- distribution to the governor, the legislature, and the 1 public. The report must include a statement of the board's 2 current financial position with respect to its activities 3 under this part, a summary of its activities pursuant to this part during the previous year (including a listing of 5 the local governmental securities purchased by the board, a listing of the bonds and notes sold by the board, and a 7 summary of the performance of any other investments of the 9 board's funds received under this part), an estimate of the levels of such activities for the next year, and a 10 comparison of such activities during the previous year with 11 the estimates of those activities that were made in the 1.2
- NEW SECTION. Section 5. Extension of authority. Any existing authority of the department of commerce and the Montana economic development board to make rules on the subject of the provisions of this act is extended to the provisions of this act.
- 19 <u>NEW SECTION.</u> Section 6. Effective date. This act is 20 effective on passage and approval.

-End-

1	Sente BILL NO. 97
2	INTRODUCED BY ST. BLOWN
2	BY REQUEST OF THE DEPARTMENT OF COMMERCE

6

7

8

9

10

11

12

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE DEFINITION OF A FINANCIAL INSTITUTION; TO INCREASE THE LIMITATION ON THE TOTAL OUTSTANDING INDEBTEDNESS OF THE MONTANA ECONOMIC DEVELOPMENT BOARD; TO DELETE ANNUAL EXAMINATIONS BY BANK EXAMINERS OF LOANS AND INVESTMENTS TO LOCAL GOVERNMENT UNITS; TO CHANGE THE DUE DATE OF THE BOARD'S ANNUAL FINANCIAL REPORT: AMENDING SECTIONS 17-5-1503, 17-5-1608, 17-5-1649, AND 17-5-1650, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

13 14

25

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

Section 1. Section 17-5-1503, MCA, is amended to read: 16 17 *17-5-1503. Definitions. As used in this part, unless

the context requires otherwise, the following definitions 18 19 apply:

- 20 (1) "Board" means the Montana economic development 21 board created in 2-15-1805.
- 22 (2) "Bond" means any bond, note, debenture, interim 23 certificate, or other evidence of financial indebtedness 24 issued by the board pursuant to this part.
 - (3) "Department" means the department of commerce



provided for in 2-15-1801.

8

10

11

12

15

25

(4) "Financial institution" means any bank, savings 2 3 and loan association, credit union, development credit corporation, insurance company, investment company, trust company, savings institution, or other financial institution approved by the board and-maintaining-an-office-in-the 7 state.

- (5) "Local government" means the city in which the project is located, if the project is located within an incorporated municipality, or the county if the project is located within the county but outside the boundaries of an incorporated municipality.
- 13 (6) "Major project" means a project whose cost or 14 appraised value exceeds \$800,000.
 - (7) "Project" means a project as defined in 90-5-101.
- 16 (8) "Project costs" means the costs of acquiring or 17 improving any project, including the following:
- 18 (a) the actual cost of acquiring or improving real 19 estate for any project;
- 20 (b) the actual cost of construction of all or any part 21 of a project, including architects' and engineers' fees;
- 22 (c) all expenses in connection with the authorization, 23 sale, and issuance of the bonds to finance such acquisition 24 or improvement;
 - (d) bond reserves and premiums for insurance or

15

16

17

18

guaranty of loan payments or lease rentals pledged to pay the bonds: and

1

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

(e) the interest on such bonds for a reasonable time prior to construction, during construction, and not exceeding 6 months after completion of construction."

Section 2. Section 17-5-1608, MCA, is amended to read:
"17-5-1608. Limitations on amounts. The board may not
issue any bonds or notes that cause the total outstanding
indebtedness of the board under this part (except for bonds
or notes issued to fund or refund other outstanding bonds or
notes or to purchase registered warrants or tax or revenue
anticipation notes of a local government as defined in
7-6-1101) to exceed \$25 \$50 million."

Section 3. Section 17-5-1649, MCA, is amended to read:

"17-5-1649. Annual audits audit. (1)--At--least--once
each--year,--the--bank--examiners--of--the--department-shall
examine-loans-and-investments-of-the-board,-The-actual--cost
of-this-examination-must-be-paid-from-the-board;-funds-

†2) The board's books and records must be audited at least once each fiscal year by or at the direction of the legislative auditor. The actual costs of the audit shall be paid from the board's funds."

Section 4. Section 17-5-1650, MCA, is amended to read:

"17-5-1650. Annual report. By September-1 December 31

of each year, the board shall publish a financial report for

1 distribution to the governor, the legislature, and the 2 public. The report must include a statement of the board's 3 current financial position with respect to its activities under this part, a summary of its activities pursuant to 4 this part during the previous year (including a listing of the local governmental securities purchased by the board, a 7 listing of the bonds and notes sold by the board, and a summary of the performance of any other investments of the board's funds received under this part), an estimate of the g 10 levels of such activities for the next year, and a 11 comparison of such activities during the previous year with 12 the estimates of those activities that were made in the 13 previous annual report."

NEW SECTION. Section 5. Extension of authority. Any existing authority of the department of commerce and the Montana economic development board to make rules on the subject of the provisions of this act is extended to the provisions of this act.

NEW SECTION. Section 6. Effective date. This act is effective on passage and approval.

-End-

SB 0097/02

SB 0097/02

1

24

25

2	INTRODUCED BY THAYER, J. BROWN
3	BY REQUEST OF THE DEPARTMENT OF COMMERCE
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE
6	DEFINITION OF A FINANCIAL INSTITUTION; TO INCREASE THE
7	LIMITATION ON THE TOTAL OUTSTANDING INDEBTEDNESS OF THE
8	MONTANA ECONOMIC DEVELOPMENT BOARD; TO DELETE ANNUAL
9	EXAMINATIONS BY BANK EXAMINERS OF LOANS AND INVESTMENTS TO
10	LOCAL GOVERNMENT UNITS; TO CHANGE THE DUE DATE OF THE
11	BOARD'S ANNUAL FINANCIAL REPORT; AMENDING SECTIONS
12	17-5-1503, 17-5-1608, 17-5-1649, AND 17-5-1650, MCA; AND
13	PROVIDING AN IMMEDIATE EFFECTIVE DATE."
14	
15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
16	Section 1. Section 17-5-1503, MCA, is amended to read:
17	"17-5-1503. Definitions. As used in this part, unless
18	the context requires otherwise, the following definitions
19	apply:
20	(1) "Board" means the Montana economic development
21	board created in 2-15-1805.
22	(2) "Bond" means any bond, note, debenture, interim
23	certificate, or other evidence of financial indebtedness

issued by the board pursuant to this part.

(3) "Department" means the department of commerce

SENATE BILL NO. 97

2 (4) "Financial institution" means any bank, savings
3 and loan association, credit union, development credit
4 corporation, insurance company, investment company, trust
5 company, savings institution, or other financial institution
6 approved by the board and-maintaining-an-office-in-the

provided for in 2-15-1801.

1

7

15

state.

- 8 (5) "Local government" means the city in which the project is located, if the project is located within an incorporated municipality, or the county if the project is located within the county but outside the boundaries of an incorporated municipality.
- 13 (6) "Major project" means a project whose cost or 14 appraised value exceeds \$800,000.
 - (7) "Project" means a project as defined in 90-5-101.
- 16 (8) "Project costs" means the costs of acquiring or
 17 improving any project, including the following:
- 18 (a) the actual cost of acquiring or improving real
 19 estate for any project;
- 20 (b) the actual cost of construction of all or any part
 21 of a project, including architects' and engineers' fees;
- 22 (c) all expenses in connection with the authorization, 23 sale, and issuance of the bonds to finance such acquisition 24 or improvement;
- 25 (d) bond reserves and premiums for insurance or

SB 0097/02 SB 0097/02

quaranty of loan payments or lease rentals pledged to pay the bonds: and

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

(e) the interest on such bonds for a reasonable time prior to construction, during construction, and not exceeding 6 months after completion of construction."

Section 2. Section 17-5-1608, MCA, is amended to read: "17-5-1608. Limitations on amounts. The board may not issue any bonds or notes that cause the total outstanding indebtedness of the board under this part (except for bonds or notes issued to fund or refund other outstanding bonds or notes or to purchase registered warrants or tax or revenue anticipation notes of a local government as defined in 7-6-1101) to exceed \$25 \$50 million."

Section 3. Section 17-5-1649, MCA, is amended to read: "17-5-1649. Annual audits audit. (1)--At--least--once each--year; -- the--bank--examiners--of--the--department-shall examine-loans-and-investments-of-the-board--The-actual--cost of-this-examination-must-be-paid-from-the-board's-funds-

(2) The board's books and records must be audited at least once each fiscal year by or at the direction of the legislative auditor. The actual costs of the audit shall be paid from the board's funds."

Section 4. Section 17-5-1650, MCA, is amended to read: 23 24 "17-5-1650. Annual report. By September-1 December 31 of each year, the board shall publish a financial report for 25

1 distribution to the governor, the legislature, and the 2 public. The report must include a statement of the board's current financial position with respect to its activities under this part, a summary of its activities pursuant to this part during the previous year (including a listing of the local governmental securities purchased by the board, a listing of the bonds and notes sold by the board, and a summary of the performance of any other investments of the g board's funds received under this part), an estimate of the levels of such activities for the next year, and a comparison of such activities during the previous year with 11 the estimates of those activities that were made in the 12 13 previous annual report."

14 NEW SECTION. Section 5. Extension of authority. Any existing authority of the department of commerce and the Montana economic development board to make rules on the subject of the provisions of this act is extended to the provisions of this act.

19 NEW SECTION. Section 6. Effective date. This act is effective on passage and approval. 20

-End-

SB 97

-3-SB 97 -4-

15

16

17

18