1 House BILL NO. tym/ 2 INTRODUCED BY Menana 3 n A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TIME IN WHICH AN ECONOMIC 4 DEVELOPMENT LEVY IS EFFECTIVE TO 6 YEARS FROM 5 YEARS; AMENDING SECTION 90-5-112, MCA; 5 6 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE." 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 10 Section 1. Section 90-5-112, MCA, is amended to read: "90-5-112. Economic development levy. (1) The governing body of a city, county, or town is 11 authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or town subject 12 13 to taxation for the purpose of economic development. The governing body may: 14 (a) submit the guestion of the mill levy to the gualified voters voting in a city, county, or town 15 election; or (b) approve the mill levy by a vote of the governing body. 16 17 (2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing 18 buildings to house manufacturing and processing operations, conducting preliminary feasibility studies, 19 promoting economic development opportunities in a particular area, and other activities generally associated 20 with economic development. These funds may not be used to directly assist an industry's operations by loan or grant or to pay the salary or salary supplements of government employees. 21 22 (3) The governing body of the county, city, or town may use the funds derived from this levy to 23 contract with local development companies and other associations or organizations capable of implementing 24 the economic development function. 25 (4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied for a period not to exceed 5 6 years and is not subject to the provisions of Title 15, chapter 10, part 4." 26 27 NEW SECTION. Section 2. Applicability. [Section 1] applies to all levies approved by the 28 29 electorate after [the effective date of this act]. 30





1	NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.
2	-END-



# STATE OF MONTANA - FISCAL NOTE

## Fiscal Note for HB 572, as introduced

## DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the time in which an economic development levy is effective to 6 years from 5 years; and providing an immediate effective date and an applicability date.

## FISCAL IMPACT:

This bill has no impact on department revenues or expenditures.

## EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill increases the maximum time period that an electorate may authorize a one mill levy for economic development from 5 years to 6 years. It would have some impact on local revenues for those areas choosing to do so. The magnitude of this, one year impact, is dependent on the taxable value of the area authorizing the 6 year levy.

DAVE LEWIS, BUDGET DIRECTOR DATE Office of Budget and Program Planning

Dan Harrington, PRIMARY SPONSON DATE Fiscal Note for <u>HB 572, as introduced</u> <u>HR 572</u>.

APPROVED BY COM ON TAXATION

HOUSE BILL NO. 5 1 INTRODUCED BY 2 Menaha 3 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TIME IN WHICH AN ECONOMIC 4 5 DEVELOPMENT LEVY IS EFFECTIVE TO 6 YEARS FROM 5 YEARS; AMENDING SECTION 90-5-112, MCA: AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE." 6 7 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 10 Section 1. Section 90-5-112, MCA, is amended to read:

"90-5-112. Economic development levy. (1) The governing body of a city, county, or town is
 authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or town subject
 to taxation for the purpose of economic development. The governing body may:

(a) submit the question of the mill levy to the qualified voters voting in a city, county, or town
election; or

16 (b) approve the mill levy by a vote of the governing body.

17 (2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing 18 buildings to house manufacturing and processing operations, conducting preliminary feasibility studies, 19 promoting economic development opportunities in a particular area, and other activities generally associated 20 with economic development. These funds may not be used to directly assist an industry's operations by 21 loan or grant or to pay the salary or salary supplements of government employees.

(3) The governing body of the county, city, or town may use the funds derived from this levy to
 contract with local development companies and other associations or organizations capable of implementing
 the economic development function.

- (4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied
  for a period not to exceed 5 6 years and is not subject to the provisions of Title 15, chapter 10, part 4."
- 28 <u>NEW SECTION.</u> Section 2. Applicability. [Section 1] applies to all levies approved by the 29 electorate after [the effective date of this act].

- 1 -

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SECOND READING

1	NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.
2	-END-



1 BILL NO House mh INTRODUCED BY 2 Wen anon 3 20

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TIME IN WHICH AN ECONOMIC 4 5 DEVELOPMENT LEVY IS EFFECTIVE TO 6 YEARS FROM 5 YEARS; AMENDING SECTION 90-5-112, MCA: 6 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

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10

Section 1. Section 90-5-112, MCA, is amended to read:

11 "90-5-112. Economic development levy. (1) The governing body of a city, county, or town is 12 authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or town subject 13 to taxation for the purpose of economic development. The governing body may:

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(b) approve the mill levy by a vote of the governing body. 16

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22 (3) The governing body of the county, city, or town may use the funds derived from this levy to 23 contract with local development companies and other associations or organizations capable of implementing 24 the economic development function.

25 (4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied 26 for a period not to exceed 5 6 years and is not subject to the provisions of Title 15, chapter 10, part 4." 27

28 NEW SECTION. Section 2. Applicability. [Section 1] applies to all levies approved by the 29 electorate after [the effective date of this act].

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48572

THIRD READING

1	NEW SECTION. Section 3. Effect	ive date. [This act] is effective o	n passage and approval.
2		-END-	



1	HOUSE BILL NO. 572
2	INTRODUCED BY HARRINGTON, JACOBSON, LYNCH, SHEA, MENAHAN, PAVLOVICH, QUILICI
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE TIME IN WHICH AN ECONOMIC
5	DEVELOPMENT LEVY IS EFFECTIVE TO 6 YEARS FROM 5 YEARS; AMENDING SECTION 90-5-112, MCA;
6	AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."
7	
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
9	
10	Section 1. Section 90-5-112, MCA, is amended to read:
<b>1</b> 1	"90-5-112. Economic development levy. (1) The governing body of a city, county, or town is
12	authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or town subject
13	to taxation for the purpose of economic development. The governing body may:
14	(a) submit the question of the mill levy to the qualified voters voting in a city, county, or town
15	election; or
16	(b) approve the mill levy by a vote of the governing body.
17	(2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing
18	buildings to house manufacturing and processing operations, conducting preliminary feasibility studies,
19	promoting economic development opportunities in a particular area, and other activities generally associated
20	with economic development. These funds may not be used to directly assist an industry's operations by
21	loan or grant or to pay the salary or salary supplements of government employees.
22	(3) The governing body of the county, city, or town may use the funds derived from this levy to
23	contract with local development companies and other associations or organizations capable of implementing
24	the economic development function.
25	(4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied
26	for a period not to exceed <del>5</del> 6 years and is not subject to the provisions of Title 15, chapter 10, part 4."
27	
28	NEW SECTION. Section 2. Applicability. [Section 1] applies to all levies approved by the
29	electorate after [the effective date of this act].
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	A

- 1 -



1	NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.
2	-END-

Montana Legislative Council