

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act GENERALLY REVISING THE LAWS RELATING TO LOCAL GOVERNMENTS; ALLOWING CONTRACTING WITH PRIVATE INSTITUTIONS FOR THE SALE OF BONDS RELATED TO RURAL IMPROVEMENT DISTRICTS AND SPECIAL IMPROVEMENT DISTRICTS; AND REQUIRING THE REPORTING OF SPECIAL DISTRICT BOUNDARIES TO THE STATE FOR PURPOSES OF DIGITAL MAPPING; AMENDING 7-12-4204, MCA; AND PROVIDING AN EFFECTIVE DATE."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Definitions.** As used in [sections 4 and 5], the following definitions apply:

(1) "Governing body" means a legislative body of a town, city, county, or consolidated city-county government or any combination of these acting jointly.

(2) "Special district" means a unit of local government, authorized by law to perform a single function or a limited number of functions. The term includes but is not limited to conservation districts, water districts, weed management districts, irrigation districts, fire districts, hospital districts, sewer districts, transportation districts and districts created for any public or governmental purpose not specifically prohibited by law. The term also includes any

district or other entity formed to perform a single or limited number of functions by interlocal agreement.

Section 2. Section 7-12-2172, MCA, is amended to read:

"7-12-2172. Procedure to issue bonds and warrants. (1)

Subject to subsection (2), the ~~The~~ board of county commissioners shall sell bonds or warrants issued under the provisions of 7-12-2169 and 7-12-2171 through 7-12-2174, in an amount sufficient to pay that part of the total cost and expense of the improvements which is to be assessed against the ~~benefited~~ benefitted property within the district, to the highest and best bidder for cash, at a price, including interest to date of delivery, not less than that prescribed by the board in the resolution calling for the sale of the bonds or warrants. The board may fix the minimum price for the bonds or warrants in an amount less than the face value of the bonds or warrants if it determines that the sale is in the best interests of the district and the county.

(2) (a) Subject to subsection (2)(b), the ~~The~~ bonds or warrants may be sold at a private negotiated sale to the United States or the state of Montana, or an agency, instrumentality, corporation, or department thereof.

(b) Bonds up to \$1 million may be sold through private negotiated sale to a financial institution, as defined in 32-1-102, authorized to conduct business in the state of Montana.

(3) In all other cases, the provisions of 7-7-4251, 7-7-4252, and 7-7-4254 which relate to the notice of sale,

publication of notice, and manner and method of selling bonds by cities and towns, insofar as they are applicable and not in conflict with the provisions of this section and 7-12-2173, shall apply to, govern, and control the form of notice of sale, publication of notice, and manner and method of selling bonds or warrants."

{Internal References to 7-12-2172:

7-12-2169 x 7-12-2172* x 7-13-114* x 7-13-3043* x}

Section 3. Section 7-12-4204, MCA, is amended to read:

"7-12-4204. Procedure to issue bonds and warrants. (1)

Subject to subsection (2), the ~~The~~ city or town council shall sell bonds or warrants issued under the provisions of 7-12-4201, in an amount sufficient to pay that part of the total cost and expense of the improvements that is to be assessed against ~~benefited~~ benefitted property within the district, to the highest and best bidder for cash at a price, including interest to date of delivery, not less than that prescribed by the city council in the resolution calling for the sale of the bonds or warrants. The city council may fix the minimum price for the bonds or warrants in an amount less than face value if it determines that the sale is in the best interests of the district and the city.

(2) (a) Subject to subsection (2)(b), the ~~The~~ bonds or warrants may be sold at a private negotiated sale to the United States or the state of Montana or to an agency, instrumentality, corporation, or department of the state.

(b) Bonds up to \$1 million may be sold through private

negotiated sale to a financial institution, as defined in 32-1-102, authorized to conduct business in the state of Montana.

(3) In all other cases, the provisions of 7-7-4251, 7-7-4252, and 7-7-4254 with regard to the notice of sale, publication of notice, and manner and method of selling bonds by cities and towns, insofar as the same are applicable and not in conflict with the provisions of this section and 7-12-4205, apply to, govern, and control the form of notice of sale, publication of notice, and manner and method of selling the bonds or warrants."

{ Internal References to 7-12-4204:
7-12-4201 x }

NEW SECTION. Section 4. Additional reporting procedures -- coordination of information collection, transfer, and accessibility. (1) The governing body shall provide a legal description of a newly created special district and a map of its boundaries to the department of revenue within 60 days or by the following January first, whichever comes first.

(2) The department of revenue shall review the legal description and map of the boundaries for the approved special district and record the:

- (a) legal description of the special district;
- (b) date of the creation of the special district; and
- (c) book and page or document number as provided for in 7-4-2617.

(3) (a) The department of revenue shall transfer information

collected pursuant to this section to the department of administration.

(b) The department of revenue shall coordinate with the department of administration to develop procedures regarding the collection and transfer of special district information between the two agencies.

(c) The department of administration shall convert special district information received from the department of revenue to a digital format for land information purposes authorized in Title 90, chapter 1, part 4, that can be accessed through the department's Base Map Service Center's website and discovered through the Montana Geographic Information System portal at the Montana State Library.

NEW SECTION. **Section 5. Transition.** In accordance with the provisions of [section 4], legal descriptions and boundary maps for special districts in existence prior to the effective date of this act must be submitted to the department of revenue whenever their boundaries are altered. The governing body that created the special district is responsible for doing so.

NEW SECTION. **Section 6. {standard} Codification instruction.** [Sections 1 and 4] are intended to be codified as an integral part of Title 7, chapter 1, part 2, and the provisions of Title 7, chapter 1, part 2, apply to [sections 1 and 4].

NEW SECTION. **Section 7. {standard} Effective date.** [This

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Appendix D

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act] is effective July 1, 2009.

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