

Amendments to House Bill No. 262
3rd Reading Copy

Requested by Representative Kerry White

For the Senate Taxation Committee

Prepared by Jaret Coles
March 17, 2015 (3:49pm)

1. Title, page 1, line 7.

Strike: "AND"

Following: "7-6-1504,"

Insert: "AND 7-6-1542,"

2. Page 3, line 30.

Following: line 29

Insert: "Section 4. Section 7-6-1542, MCA, is amended to read:

"7-6-1542. Resort area district board powers related to administration and expenditure of resort tax revenue -- authorization to issue bonds -- restrictions. (1) The board of a resort area district created under 7-6-1531 through 7-6-1550 may:

(a) appropriate and expend revenue from a resort tax for any activity, undertaking, or administrative service authorized in the resolution creating a resort area and adopting a resort tax;

(b) adopt administrative ordinances necessary to aid in the collection or reporting of resort taxes and in the expenditure of resort tax revenue; ~~and~~

(c) except as provided in subsection (2), if approved by four of the five board members, issue bonds to provide, install, or construct any of the public facilities, improvements, or capital projects authorized as provided in subsection (1)(a) and pledge for repayment of the bonds the revenue derived from the resort tax; ~~and~~

(d) amend the rate of the resort tax up to an additional 1% over what had been approved by the qualified electors by placing the question of the additional tax to a vote of the qualified electors voting in an election conducted in accordance with [sections 1 through 5 of House Bill No. 84]. The revenue from the additional tax must be used for the purposes provided for in 7-6-1504(4)(d).

(2) A resort area district may not issue bonds to construct any single-purpose public facility, improvement, or capital project in an amount exceeding \$500,000 without the approval of a majority of the qualified electors residing within the boundaries of the resort area district voting at a special election at a time to be determined by the board. For the purpose of this

subsection, the board may authorize a special election by majority vote.

(3) The provisions of 7-6-1506(3) apply to the issuance of bonds by a resort area district, and the board shall conclude that the projected useful life of the public facilities, improvements, or capital projects will be greater than the term of the bonds that were issued to construct the public facilities, improvements, or capital projects.

(4) Resort tax revenue that is pledged by a resort area district to the repayment of bonds must be sufficient to pay the principal and interest on the bonds in each year when the principal and interest is due. Bonds do not constitute debt for the purpose of any statutory debt limitation. A resort area district may not issue bonds pledging proceeds of the resort tax for repayment unless the board in the resolution authorizing issuance of the bonds determines that the annual principal and interest payment on the bonds issued will not cumulatively exceed 25% of the average of resort tax revenue received by the district during the preceding 5 years. Bonds may not be issued for a term longer than the remaining duration of the resort area district."

{ Internal References to 7-6-1542:

7-6-1531 *x	7-6-1531 *x	7-6-1532 *x	7-6-1535 *x
7-6-1536 *x	7-6-1537 *x	7-6-1538 *x	7-6-1541 *x
7-6-1541 *x	7-6-1541x	7-6-1542 *x	7-6-1549 *x }"

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