

HOUSE BILL NO. 232
INTRODUCED BY DEVLIN

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS GOVERNING COUNTY, MUNICIPAL, AND SPECIAL DISTRICT CAPITAL IMPROVEMENT FUNDS; INCREASING TO \$500,000 THE LIMITATION ON COUNTY ROAD AND BRIDGE IMPROVEMENT FUNDS; AMENDING SECTIONS 7-6-616, 7-7-2101, 7-14-2506, 7-21-3406, 7-21-3413, AND 7-33-2111, MCA; REPEALING SECTION 7-21-3414, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 7-6-616, MCA, is amended to read:

"7-6-616. Capital improvement ~~program funds~~. (1) A county, ~~or municipal, or special district~~ governing body ~~may provide for~~ may establish a capital improvement ~~program fund~~ for the replacement, improvement, and acquisition of property, facilities, or equipment that costs in excess of \$5,000 and that has a life expectancy of 5 years or more.

(2) ~~The~~ A capital improvement ~~program fund~~ must be formally adopted by the county, ~~or municipal, or special district~~ governing body.

(3) The capital improvement ~~program fund~~ may receive ~~funds~~ money from ~~up to 10% of one or more property tax levies and may receive funds from any source, including funds that have been allocated in any year but have not been expended or encumbered by the end of the fiscal year.~~

(4) Money in the capital improvement fund must be invested as provided by law, and interest and income from the investment of the capital improvement fund must be credited to the fund."

Section 2. Section 7-7-2101, MCA, is amended to read:

"7-7-2101. Limitation on amount of county indebtedness. (1) A county may not issue bonds or incur other indebtedness for any purpose in an amount, including existing indebtedness, that in the aggregate exceeds 1.4% of the total assessed value of taxable property, determined as provided in 15-8-111, within the county, as ascertained by the last assessment for state and county taxes.

(2) Except as provided in 7-7-2402; and 7-21-3413, ~~and 7-21-3414;~~ a county may not incur indebtedness or liability for any single purpose to an amount exceeding \$500,000 without the approval of a majority of the

electors of the county voting at an election as provided by law.

(3) This section does not apply to the acquisition of conservation easements as set forth in Title 76, chapter 6."

Section 3. Section 7-14-2506, MCA, is amended to read:

"7-14-2506. County road and bridge ~~depreciation reserve~~ capital improvement fund -- limitation.

(4) The governing body of a county may establish a road and bridge ~~depreciation reserve~~ capital improvement fund to be used for acquisition and replacement of property, capital improvements, and equipment necessary to maintain and improve county road and bridge facilities and services in accordance with the provisions of Title 7, chapter 6, part 6.

(2) ~~Budgeted county road and bridge money that has not been expended or encumbered for a fiscal year may be deposited in the road and bridge depreciation reserve fund.~~ The fund may not exceed \$200,000 \$500,000.

(3) ~~Money in the road and bridge depreciation reserve fund must be invested as provided by law. Interest and income from the investment of the road and bridge depreciation reserve fund must be credited to the fund."~~

Section 4. Section 7-21-3406, MCA, is amended to read:

"7-21-3406. Powers of county fair commission. In addition to the powers and duties established in the resolution of the board of county commissioners creating the county fair commission and by the provisions of 7-21-3407 through ~~7-21-3414~~ 7-21-3413, the county fair commissioners have control and operation of the fair and the supervision and management of the fairgrounds and also the leasing of buildings and fairgrounds on a continuous basis throughout the fiscal year, ~~and~~ The fair commission shall return to the fair fund of the county all revenue obtained from the leasing or renting of the ~~the~~ buildings and fairgrounds."

Section 5. Section 7-21-3413, MCA, is amended to read:

"7-21-3413. ~~Capital~~ Fair commission capital improvement fund authorized. The fair commission of any county in Montana is authorized to may establish, ~~by a vote of the majority of the commission,~~ a capital improvement fund for the replacement and acquisition of property, buildings, or equipment costing more than \$5,000 ~~and having a useful life of 5 years or more~~ in accordance with the provisions of Title 7, chapter 6, part 6."

Section 6. Section 7-33-2111, MCA, is amended to read:

"7-33-2111. Fire district capital improvement fund authorized. The trustees of a fire district may establish a capital improvement fund. ~~The fund may be used for the acquisition and replacement of equipment or facilities, including real property. The cost of the equipment must exceed \$5,000, and the equipment must have a life expectancy of 5 years or more~~ in accordance with the provisions of Title 7, chapter 6, part 6."

NEW SECTION. **Section 7. Repealer.** Section 7-21-3414, MCA, is repealed.

NEW SECTION. **Section 8. Effective date.** [This act] is effective July 1, 2003.

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