

HOUSE BILL NO. 369

INTRODUCED BY POMNICHOWSKI, MACLAREN, NOONEY, JOPEK, EBINGER, NOONAN, THOMAS

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE AMOUNTS THAT A COUNTY MAY BORROW WITHOUT A VOTE OF THE ELECTORATE; ~~AND~~ AMENDING SECTION 7-7-2402, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 7-7-2402, MCA, is amended to read:

"7-7-2402. Election required to borrow money -- exceptions. (1) Except as provided in subsection (4), the board of county commissioners may not borrow money for any of the purposes mentioned in this title or for any single purpose in an amount exceeding the limits set in subsection (2) without:

- (a) first submitting the question of a loan to a vote of the electors of the county; and
- (b) obtaining the approval of a majority of the electors of the county.

(2) Based upon the taxable valuation of a county, a county may borrow the following amounts without a vote of the electorate:

- (a) up to ~~\$500,000~~ \$1 million if the county's taxable value is less than \$50 million;
- (b) up to ~~\$750,000~~ \$1.5 million if the county's taxable value is between \$50 million and \$100 million; and
- (c) up to ~~\$1~~ \$2 million if the county's taxable valuation is greater than \$100 million.

(3) If a majority of the votes cast are in favor of the loan, then the board of county commissioners may enter into the loan, issuing bonds or otherwise as is in the best interests of the county.

(4) It is not necessary to submit to the electors the question of borrowing money:

- (a) to refund outstanding bonds; or
- (b) for the purpose of enabling any county to liquidate its indebtedness to another county incident to the creation of a new county or the change of any county boundary lines."

NEW SECTION. SECTION 2. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON JULY 1, 2007.

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