

HOUSE BILL NO. 499  
INTRODUCED BY J. POMNICHOWSKI

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF TECHNOLOGY DISTRICTS FOR A BUSINESS THAT IS MONTANA-BASED AND FOR WHICH AT LEAST 50 PERCENT OF ITS SALES ARE TO CUSTOMERS WHO ARE ALSO MONTANA-BASED BUT WHO WOULD HAVE OTHERWISE PURCHASED THE PRODUCT, PROCESS, OR SERVICE FROM A BUSINESS OR ORGANIZATION BASED OUTSIDE MONTANA; AND AMENDING SECTION 7-15-4295, MCA."

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

**Section 1.** Section 7-15-4295, MCA, is amended to read:

**"7-15-4295. Technology districts.** (1) A local governing body, by ordinance and following a public hearing, may authorize the creation of a technology district for technology infrastructure development projects. The purpose of a technology district is for the development of infrastructure to encourage the location and retention of technology development projects in the state. The tenants of a technology district must be businesses or organizations engaged in technology-based operations within Montana that through the employment of knowledge or labor add value to a product, process, or ~~export~~ service that results in the creation of new wealth and:

(a) for which at least 50% of the sales of the business or organization occur outside of Montana; or  
(b) the business or organization is a manufacturing company with at least 50% of its sales to other Montana companies that have 50% of their sales occurring outside of Montana; or  
(c) the business or organization is Montana-based and at least 50% of its sales are to customers who are also Montana-based but who would have otherwise purchased the product, process, or service from a business or organization based outside Montana.

(2) A technology district:

(a) must consist of a continuous area with an accurately described boundary that is large enough to host a diversified tenant base of multiple independent tenants;

(b) must be zoned for use in accordance with the area growth policy, as defined in 76-1-103;

(c) may not comprise any property included within an existing urban renewal area district or industrial infrastructure development district created pursuant to this part;

(d) must, prior to its creation, be found to be deficient in infrastructure improvements necessary for technology development;

(e) must, prior to its creation, have in place a formally adopted comprehensive development plan that ensures that the district can host a diversified tenant base of multiple independent tenants; and

(f) may not be designed to serve the needs of a single district tenant or group of nonindependent tenants.

(3) A technology district may use tax increment financing pursuant to the provisions of 7-15-4282 through 7-15-4293."

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