1	HOUSE BILL NO. 250
2	INTRODUCED BY B. GRUBBS
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE COUNTY AND SCHOOL DISTRICTS INCLUDED
5	IN AN URBAN RENEWAL DISTRICT OR TARGETED ECONOMIC DEVELOPMENT DISTRICT TO APPROVE
6	THE USE OF TAX INCREMENT FINANCING; AMENDING SECTIONS 7-15-4221 AND 7-15-4282, MCA; AND
7	PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."
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9	WHEREAS, city-created tax increment finance districts impact property owners who live outside of city
10	limits but in the county and school districts that include city territory; and
11	WHEREAS, these property owners are not currently represented in the approval and creation of the tax
12	increment finance district, except when the city voluntarily includes the county and school districts in the creation
13	of the tax increment finance district; and
14	WHEREAS, the creation of the tax increment finance district may increase the taxes of property owners
15	in the county and school districts that include the city and those taxpayers are not necessarily represented in the
16	creation of the tax increment finance district.
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18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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20	**Section 1.** Section 7-15-4221, MCA, is amended to read:
21	**"7-15-4221. Modification of urban renewal project plan.** (1) An urban renewal project plan may be
22	modified at any time by the local governing body. If modified after the lease or sale by the municipality of real
23	property in the urban renewal project area, the modification is subject to any rights at law or in equity that a lessee
24	or purchaser or the lessee's or purchaser's successor or successors in interest may be entitled to assert.
25	(2) An urban renewal plan may be modified by ordinance.
26	(3) ~~Any~~ (a) The county and school districts that include local government territory must approve
27	amending an urban renewal plan ~~proposed for modification~~ to provide tax increment financing for the urban
28	renewal district ~~must be proposed with consideration for the county and school districts that include municipal~~
29	~~territory~~.
30	(b) For the purposes of subsection (3)(a), approval of a tax increment financing provision is signified by

1   a majority vote of the county commission and the school board.

2   (4) All urban renewal plans approved or modified by resolution prior to May 8, 1979, are validated.

3   (5) A plan may be modified by:

4   (a) the procedure set forth in 7-15-4212 through 7-15-4219 with respect to adoption of an urban renewal

5   plan; or

6   (b) the procedure set forth in the plan."

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8   **Section 2.** Section 7-15-4282, MCA, is amended to read:

9   **"7-15-4282. Authorization for tax increment financing.** (1) An urban renewal plan as defined in

10   7-15-4206 or a targeted economic development district comprehensive development plan created as provided

11   in 7-15-4279 may contain a provision or be amended to contain a provision for the segregation and application

12   of tax increments as provided in 7-15-4282 through 7-15-4294.

13   (2) (a) The tax increment financing provision must take into account the effect on the county and school

14   districts that include local government territory must approve the tax increment provision.

15   (b) For the purposes of subsection (2)(a), approval of a tax increment financing provision is signified by

16   a majority vote of the county commission and the school board."

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18   NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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20   NEW SECTION. **Section 4. Applicability.** [This act] applies to tax increment provisions adopted by

21   urban renewal districts and targeted economic development districts established under Title 7, chapter 15, part

22   42, after [the effective date of this act].

23   - END -