

SENATE BILL NO. 500

INTRODUCED BY J. TREBAS, F. MANDEVILLE, E. BOLDMAN

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A UNIFORM DURATION OF A LATECOMER AGREEMENT OR PAYBACK DISTRICT; PROVIDING THAT A PROPERTY OWNER OR DEVELOPER IS ENTITLED TO A PRO RATA SHARE OF A REIMBURSEMENT FOR THE INSTALLATION OF A PUBLIC UTILITY OR STREET IMPROVEMENTS IN CERTAIN CIRCUMSTANCES; AND PROVIDING AN EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

NEW SECTION. Section 1. Latecomer agreement or payback district -- duration. (1) The purpose of this section is to establish a uniform duration for a consolidated local government to create a latecomer agreement or payback district for constructing a water supply, sanitary sewer, or storm sewer system. As of [the effective date of this act], a consolidated local government shall create a latecomer agreement or payback district that is valid for not longer than 3 years from the date it is recorded.

(2) To be eligible for a latecomer agreement or payback district reimbursement, the installation of the public utility or street improvements must have a reasonable possibility of directly benefiting the development of other properties within a close proximity in the immediate future.

(3) Under this section, a property owner or developer is entitled to a pro rata share of the reimbursement based on the respective contribution of the property owner or developer and the consolidated local government.

(4) For the purposes of this section, "latecomer agreement" or "payback district" means an agreement between a consolidated local government and a property owner or developer for the sole purpose of reimbursing the property owner or developer for the costs incurred for the installation of a public utility or street improvements.

NEW SECTION. Section 2. Codification instruction. [Section 1] is intended to be codified as an

1 integral part of Title 7, chapter 13, part 30, and the provisions of Title 7, chapter 13, part 30, apply to [section 1].

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3 NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2023.

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5 NEW SECTION. **Section 4. Retroactive applicability.** [This act] applies retroactively, within the
6 meaning of 1-2-109, to latecomer agreements or payback districts that were created by a consolidated local
7 government prior to [the effective date of this act].

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