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As of: May 12, 2014 (12:22pm)

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**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act generally revising election laws; amending sections 3-1-1013, 7-1-201, 7-1-2121, 7-2-2215, 7-2-2604, 7-2-2705, 7-2-2709, 7-2-2804, 7-2-4104, 7-2-4106, 7-2-4314, 7-2-4601, 7-2-4602, 7-2-4606, 7-2-4733, 7-2-4902, 7-2-4904, 7-3-103, 7-3-125, 7-3-149, 7-3-155, 7-3-160, 7-3-173, 7-3-174, 7-3-175, 7-3-176, 7-3-178, 7-3-186, 7-3-187, 7-3-192, 7-3-1205, 7-3-1208, 7-3-4222, 7-3-4223, 7-5-132, 7-5-4321, 7-5-4322, 7-6-1501, 7-6-1502, 7-6-1504, 7-6-1505, 7-6-1506, 7-6-1508, 7-6-1509, 7-6-1532, 7-6-1533, 7-6-1535, 7-6-1536, 7-6-1541, 7-6-1542, 7-6-1543, 7-6-1544, 7-6-1546, 7-6-1548, 7-6-1551, 7-7-2223, 7-7-2227, 7-7-2229, 7-7-2237, 7-7-2404, 7-7-2405, 7-7-2406, 7-7-4226, 7-7-4227, 7-7-4235, 7-7-4426, 7-8-4201, 7-10-101, 7-10-102, 7-10-104, 7-10-110, 7-11-1011, 7-11-1012, 7-12-4243, 7-13-2201, 7-13-2204, 7-13-2208, 7-13-2210, 7-13-2211, 7-13-2212, 7-13-2214, 7-13-2217, 7-13-2222, 7-13-2231, 7-13-2225, 7-13-2231, 7-13-2234, 7-13-2241, 7-13-2261, 7-13-2262, 7-13-2271, 7-13-2272, 7-13-2273, 7-13-2276, 7-13-2321, 7-13-2323, 7-13-2324, 7-13-2328, 7-13-2333, 7-13-2341, 7-13-2342, 7-13-2352, 7-13-4204, 7-13-4511, 7-13-4512, 7-13-4513, 7-13-4522, 7-13-4535, 7-14-210, 7-14-211, 7-14-212, 7-14-1106, 7-14-1134, 7-14-1633, 7-14-2507, 7-14-4512, 7-14-4642, 7-16-2102, 7-16-2109, 7-33-2106, 7-34-2110, 7-34-2112, 7-34-2117, 13-1-101, 13-1-104, 13-1-106, 13-1-107, 13-1-108, 13-1-301, 13-1-401, 13-2-304, 13-3-202, 13-10-201, 13-10-208, 13-10-209, 13-10-211, 13-10-

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325, 13-10-326, 13-10-405, 13-12-201, 13-13-205, 13-14-112, 13-14-113, 13-14-115, 13-15-206, 13-19-207, 13-35-107, 13-37-126, 15-10-425, 15-65-101, 16-4-420, 20-1-101, 20-3-202, 20-3-301, 20-3-305, 20-3-307, 20-3-313, 20-3-321, 20-3-337, 20-3-338, 20-3-341, 20-3-344, 20-9-426, 20-9-428, 20-9-471, 20-15-203, 20-15-206, 20-15-219, 20-15-221, 20-15-222, 20-15-224, 20-20-105, 20-20-106, 20-20-201, 20-20-204, 20-20-311, 20-20-312, 20-20-401, 20-20-417, 22-1-304, 22-1-703, 22-1-706, 22-1-708, 22-1-709, 22-1-710, 76-5-1106, 76-15-302, 76-15-303, 76-15-305, 76-15-312, 76-15-506, 76-15-605, 85-7-1702, 85-7-1712, 85-7-1837, 85-7-1974, 85-7-2013, 85-8-302, 85-8-306, 85-8-624, 85-9-103, 85-9-203, 85-9-206, 85-9-302, 85-9-408, 85-9-501, 85-9-602, and 85-9-623, MCA; repealing sections 7-2-2219, 7-2-2605, 7-2-2603, 7-2-2710, 7-2-4105, 7-2-4603, 7-2-4903, 7-3-124, 7-3-4209, 7-3-4210, 7-3-4306, 7-3-4308, 7-5-136, 7-6-1531, 7-6-1537, 7-6-1538, 7-6-1545, 7-6-1549, 7-7-2228, 7-7-4427, 7-13-2212, 7-13-2235, 7-13-2236, 7-13-2243, 7-13-2246, 7-13-2247, 7-13-2254, 7-13-2255, 7-13-2256, 7-34-2116, 20-3-304, 20-20-101, 20-20-202, and 85-9-422, MCA; ."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Purpose.** The purpose of [sections 1 through 5] is to simplify and standardize, to the extent feasible, dates and deadlines for special purpose district elections and provide more consistency for voters. Nothing in [sections 1 through 5] may be interpreted to require the secretary of state to oversee special purpose district elections.

NEW SECTION. **Section 2. Candidate filing deadline -- withdrawal of candidacy.** (1) For consistency with the candidate filing deadline in 13-10-201(7) and except as provided for write-in candidates under 13-10-211, the candidate filing deadline for election to any elected office for a special purpose district is no sooner than 145 days and no later than 85 days before the election.

(2) A candidate may not withdraw from having the candidate's name printed on the ballot later than the ballot certification deadline established in [section 3].

NEW SECTION. **Section 3. Ballot deadlines.** (1) Subject to 13-37-126, an election administrator shall certify the ballot for a special purpose district election within 10 days after the candidate filing deadline under [section 2].

(2) Pursuant to 13-13-205, ballots must be available for absentee voting at least 20 days prior to the election.

NEW SECTION. **Section 4. When special purpose district elections may be held.** (1) Except as provided in subsection (2), the following elections for a special purpose district shall be held on the same day as the regular school election day established in 20-20-105(1), which is the first Tuesday after the first Monday in May:

(a) an election to create, alter the boundaries of, continue, or dissolve a special purpose district; and

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(b) an election to fill a special purpose district office.

(2) A special purpose district election related only to funding may be held on the day specified in subsection (1) or scheduled as a special election.

(3) If specifically authorized by law, a special purpose district election may be held at the district's annual meeting.

(4) Consistent with the deadline established in [section 2], a special purpose district election may not be held earlier than 85 days from the day the election is called.

(5) Unless otherwise specifically provided by laws, a special purpose district election conducted in accordance with this section must be conducted in accordance with all applicable provisions of [sections 1 through 5].

NEW SECTION. **Section 5. Conduct of elections.** (1) A special purpose district election must be conducted by a county election administrator.

(2) If a special purpose district lies in more than one county, the county election administrator in the county with the largest percentage of qualified electors in the district shall conduct the election.

(3) Notice of the election must be provided as required in 13-1-108.

(4) Subject to 13-19-104, a special purpose district election may be conducted by mail.

(5) A special purpose district election, including voter registration and how votes shall be cast, counted, and canvassed,

must be conducted in accordance with the provisions of this title.

NEW SECTION. **Section 6. Purpose -- definition.** (1) The purpose of [sections 6 through 10] is clarify and consolidate election laws applicable to local government elections.

(2) For the purposes of [sections 6 through 10], "local government" means a town, city, municipality, county, or consolidated city-county. "Local government" does not mean a special purpose district or school district.

NEW SECTION. **Section 7. Candidate filing deadline -- withdrawal of candidacy.** (1) For consistency with the candidate filing deadline in 13-10-201(7) and except as provided for write-in candidates under 13-10-211, the candidate filing deadline for election to a local government office is no sooner than 145 days and no later than 85 days before the election.

(2) A candidate may not withdraw from having the candidate's name printed on the ballot after the ballot certification deadline established in [section 8].

NEW SECTION. **Section 8. Ballot deadlines.** (1) Subject to 13-37-126, an election administrator shall certify the ballot for a local government election within 10 days after the candidate filing deadline under [section 7].

(2) Pursuant to 13-13-205, ballots must be available for absentee voting at least 30 days prior to the election.

NEW SECTION. **Section 9. When local government elections may be held.** (1) A local government election must be held on the same day as the primary election day established in 13-1-107 or the general election day established in 13-1-104, except that an election concerning funding may be called as a special election.

(2) A local government election may not be scheduled for less than 85 days after the order for the election.

(3) Unless otherwise specifically provided by law, a local government election conducted in accordance with this section must be conducted in accordance with all applicable provisions of [sections 6 through 10].

NEW SECTION. **Section 10. Conduct of elections.** (1) Notice of a local government election must be provided as required in 13-1-108.

(2) Subject to 13-19-104, local government elections may be conducted by mail.

(3) Local government elections, including but not limited to voter registration and how votes shall be cast, counted, and canvassed, shall be conducted in accordance with the provisions of this title.

Section 11. Section 3-1-1013, MCA, is amended to read:

"3-1-1013. Senate confirmation -- exception -- nomination in the interim -- appointment contingent on vacancy. (1) (a) Except as provided in subsection (2):

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(i) each appointment must be confirmed by the senate; and
(ii) an appointment made while the senate is not in session is effective until the end of the next special or regular legislative session.

(b) If the appointment is subject to senate confirmation under subsection (1)(a) and is not confirmed, the office is vacant and another selection of nominees and appointment must be made.

(2) The following appointments are not subject to senate confirmation, and there must be an election for the office at the general election immediately preceding the scheduled expiration of the term or following the appointment, as applicable:

(a) an appointment made while the senate is not in session if the term to which the appointee is appointed expires prior to the next legislative session, regardless of the time of the appointment in relation to the candidate filing deadlines for the office; and

(b) an appointment made while the senate is not in session if a general election will be held prior to the next legislative session and the appointment is made prior to the candidate filing deadline for primary elections ~~held pursuant to 13-1-107~~ under 13-10-201(7), in which case the position is subject to election at the next primary and general elections.

(3) A nomination is not effective unless a vacancy in office occurs."

{*Internal References to 3-1-1013:*
3-1-1014 3-1-1014 }

Section 12. Section 7-1-201, MCA, is amended to read:

"7-1-201. Boards. (1) A board of county commissioners may by resolution establish the administrative boards, districts, or commissions allowed by law or required by law to be established pursuant to 7-1-202, 7-1-203, Title 7, chapter 11, part 10, and this section and listed in 7-1-202. The resolution creating an administrative board, district, or commission must specify:

(a) the number of administrative board, district board, or commission members;

(b) the terms of the members;

(c) whether members are entitled to mileage, per diem, expenses, and salary; and

(d) any special qualifications for membership in addition to those established by law.

(2) (a) An administrative board, district board, or commission may be assigned responsibility for a department or service district.

(b) An administrative board, district board, or commission may:

(i) exercise administrative powers as granted by resolution, except that it may not pledge the credit of the county or impose a tax unless specifically authorized by state law;

(ii) administer programs, establish policy, and adopt administrative and procedural rules.

(c) The resolution creating an administrative board,

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district, or commission must grant the administrative board, district board, or commission all powers necessary and proper to the establishment, operation, improvement, maintenance, and administration of the department or district.

(d) If authorized by resolution, an administrative board, district board, or commission may employ personnel to assist in its functions.

(3) ~~(a) Administrative boards, districts, and commissions~~
An administrative board, district board, or commission may be made elective.

(b) If an administrative board, district board, or commission is made elective ~~and if~~, the election of members must be conducted in accordance with [section 4].

(c) Except as provided in subsection (3)(d), if the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If the election administrator determines that the election may be canceled, the administrator shall immediately notify the governing body. A position for which there were no ~~nominees~~ candidates must be filled by appointment by the county commissioners for the same term as if the position were filled by election. If there is only one ~~nominee~~ candidate for a position, the ~~nominee~~ candidate may be declared elected by acclamation.

(d) The governing body may pass a resolution to require that an election be held.

(4) ~~Administrative boards, districts, and commissions~~ An

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administrative board, district board, or commission may not sue or be sued independently of the local government unless authorized by state law.

(5) (a) ~~Members must~~ If administrative board, district board, or commission members are to be appointed, the members must be appointed by the county commissioners. The county commissioners shall post prospective membership vacancies at least 1 month prior to filling the vacancy.

~~(6)~~(b) The county commissioners shall maintain a register of appointments, including:

~~(a)~~(i) the name of the administrative board, district board, or commission;

~~(b)~~(ii) the date of appointment and confirmation, if any is required;

~~(c)~~(iii) the length of term;

~~(d)~~(iv) the name and term of the presiding officer and other officers of each administrative board, district board, or commission; and

~~(e)~~(v) the date, time, and place of regularly scheduled meetings.

~~(7)~~(c) Terms of ~~all~~ appointed members, ~~except elected members~~, may not exceed 4 years. Unless otherwise provided by resolution, members shall serve terms beginning on July 1 and shall serve at the pleasure of the county commissioners.

~~(8)~~(6) An administrative board, district board, or commission must consist of a minimum of 3 members and must have an odd number of members.

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(9)(7) The resolution creating an administrative board, district board, or commission may provide for voting or nonvoting ex officio members.

(10)(8) Two or more local governments may provide for a joint boards, districts, or commissions administrative board, district board, or commission to be established by interlocal ~~agreements~~ agreement.

(11)(9) A majority of members constitutes a quorum for the purposes of conducting business and exercising powers and responsibilities. Action may be taken by a majority vote of members present and voting unless the resolution creating the board, district, or commission specifies otherwise.

(12)(10) An administrative board, district board, or commission shall provide for the keeping of written minutes, including the final vote on all actions and the vote of each member.

(13)(11) An administrative board, district board, or commission shall provide by rule for the date, time, and place of regularly scheduled meetings and file the information with the county commissioners.

(14)(12) Unless otherwise provided by law, a person must be a resident of the county to be eligible for appointment to an administrative board, district board, or commission. The county commissioners may prescribe by resolution additional qualifications for membership.

(15)(13) A person may be removed from an administrative board, district board, or commission for cause by the county

commissioners or as provided by resolution.

~~(16)~~(14) A resolution creating an administrative board, district board, or commission must contain, if applicable, budgeting and accounting requirements for which the administrative board, district board, or commission is accountable to the county commissioners.

~~(17)~~(15) If a municipality creates a special district in accordance with Title 7, chapter 11, part 10, the governing body of the municipality shall comply with this section if the governing body chooses to have the special district governed by a separate board."

{*Internal References to 7-1-201:*
x7-1-202 x7-8-2103 * x7-16-2301 * x7-16-4201
x7-22-2103 * }

Section 13. Section 7-1-2121, MCA, is amended to read:

"7-1-2121. Publication and content of notice -- proof of publication. Unless otherwise specifically provided and except as provided in 13-1-108, whenever a local government unit other than a municipality is required to give notice by publication, the following applies:

(1) Publication must be in a newspaper meeting the qualifications of subsections (2) and (3), except that in a county where a newspaper does not meet these qualifications, publication must be made in a qualified newspaper in an adjacent county. If there is no qualified newspaper in an adjacent county, publication must be made by posting the notice in three public places in the county, designated by resolution of the governing

body.

(2) (a) The newspaper must:

(i) be of general circulation;

(ii) be published at least once a week;

(iii) be published in the county where the hearing or other action will take place; and

(iv) have, prior to July 1 of each year, submitted to the clerk and recorder a sworn statement that includes:

(A) circulation for the prior 12 months;

(B) a statement of net distribution;

(C) itemization of the circulation that is paid and that is free; and

(D) the method of distribution.

(b) A newspaper of general circulation does not include a newsletter or other document produced or published by the local government unit.

(3) In the case of a contract award, the newspaper must have been published continuously in the county for the 12 months preceding the awarding of the contract.

(4) If a person is required by law or ordinance to pay for publication, the payment must be received before the publication may be made.

(5) The notice must be published twice, with at least 6 days separating each publication.

(6) The published notice must contain:

(a) the date, time, and place of the hearing or other action;

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(b) a brief statement of the action to be taken;

(c) the address and telephone number of the person who may be contacted for further information on the action to be taken; and

(d) any other information required by the specific section requiring notice by publication.

(7) A published notice required by law may be supplemented by a radio or television broadcast of the notice in the manner prescribed in 2-3-105 through 2-3-107.

(8) Proof of the publication or posting of any notice may be made by affidavit of the owner, publisher, printer, or clerk of the newspaper or of the person posting the notice.

(9) If the newspaper fails to publish a second notice, the local government unit must be considered to have met the requirements of this section as long as the local government unit submitted the required information prior to the submission deadline and the notice was posted in three public places in the county that were designated by resolution and, if the county has an active website, was posted on the county's website at least 6 days prior to the hearing or other action for which notice was required."

{*Internal References to 7-1-2121:*

x to all...yes, I checked them ALL

2-9-212	7-2-2209	7-2-2505	7-2-2602
7-2-2704	7-2-2756	7-2-2803	7-2-2804
7-4-2307	7-5-2301	7-5-2502	7-6-1534
7-6-1548	7-6-2605	7-6-4013	7-6-4021
7-8-101	7-8-2212	7-8-2216	7-8-2217
7-8-2302	7-8-2511	7-10-103	7-11-228
7-11-1007	7-11-1025	7-11-1029	7-12-1112
7-12-2105	7-12-2132	7-12-2159	7-12-4106
7-12-4254	7-13-107	7-13-126	7-13-145

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7-13-2205	7-13-2275	7-13-2281	7-13-2304
7-13-2345	7-13-2351	7-13-2352	7-13-3005
7-13-3021	7-13-3028	7-13-4507	7-14-208
7-14-244	7-14-1002	7-14-1102	7-14-1612
7-14-1621	7-14-2403	7-14-2616	7-14-2822
7-14-4630	7-15-2103	7-16-2324	7-21-3107
7-21-3305	7-33-2102	7-33-2120	7-33-2125
7-33-2142	7-33-2401	7-34-2107	7-34-2153
7-34-2157	7-34-2162	10-1-1504	15-23-715
15-24-1402	15-24-1501	15-24-1502	15-24-1603
15-24-1702	15-24-1802	15-24-1902	15-24-2002
18-2-501	22-1-702	22-1-706	22-1-706
22-1-710	22-1-710	67-7-201	75-6-305
75-6-326	76-2-206	76-2-206	76-2-206
76-2-206	76-8-107 }		

Section 14. Section 7-2-2215, MCA, is amended to read:

"7-2-2215. Election on question of creating new county -- proclamation and notice. (1) Within 2 weeks after its the ~~determination of the truth of the allegations of that~~ the signatures on the petition are valid and sufficient, the board of county commissioners shall order and give notice of an election to be held for the purpose of determining whether the territory proposed to be taken from the county is to be established and organized into a new or enlarged county, for the election of officers, and for the location of a county seat if the vote at the election is in favor of the ~~establishment and organization of a new county formed from a portion of one existing county or from portions of two or more existing counties~~ question.

(2) ~~The question of determining whether the proposed territory is taken from the county and added to the proposed new county must be included on the ballot for the next regular or primary election not less than 60 days after the date of the order and notice~~ The election must be conducted in accordance

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with [sections 6 through 10].

(3) All registered electors of the county are entitled to vote at the election. ~~Registration and transfers of registration must be made and must close in the manner and at a time provided by law for registration and transfers of registration for a general election in Montana.~~

(4) If the proposed new county is an existing county to be enlarged by territory taken from the county in which the petition was filed, the board of county commissioners of the proposed new county shall also hold an election in the manner described in subsections (1) through (3)."

{*Internal References to 7-2-2215:*

<i>x7-2-2216</i>	<i>x7-2-2217</i>	<i>x7-2-2217</i>	<i>x7-2-2218</i>
<i>x7-2-2218</i>	<i>r7-2-2219</i>	<i>r7-2-2219</i>	<i>x7-2-2221</i>
<i>x7-2-2221</i>	<i>x7-2-2222</i>	<i>x7-2-2222</i>	<i>x7-2-2222</i>
<i>x7-2-2225</i>	}		

Section 15. Section 7-2-2604, MCA, is amended to read:

"7-2-2604. Consideration of petition -- submission to voters -- withdrawal of signatures. (1) ~~For the purpose of testing the sufficiency of any petition which may be presented to the county commissioners as provided in this section, the county commissioners shall compare such petition with the pollbooks in the county clerk's office constituting the returns of the last general election held in their county for the purpose of ascertaining whether such petition bears the names of at least 50% of the voters listed therein. The county election administrator shall verify signatures on the petition within 30 days of when the signed petition is filed.~~

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(2) If the county election administrator determines that the petition is signed by at least 50% of the ~~qualified electors of such county~~ county's electors who voted in the last general election, the board of county commissioners must ~~at the next general election~~ submit the question of removal of the county seat to the electors of the county. The election on the question of removal of the county seat must be held in accordance with [sections 6 through 10].

(3) If ~~such the~~ petition ~~then shows that it~~ has not been signed by at least 50% of the voters of the county who voted in the last general election, ~~after deducting from the original petition the names of all persons who may have signed such original petition and who may have filed or caused to be filed with the county clerk of said county or the board, on or before the date fixed for the hearing, their statement in writing of the withdrawal of their names from the original petition, it shall be deemed insufficient and the question of the removal of the county seat shall not be submitted~~ to electors.

(4) A person who signed the petition may request that the person's signature not be counted by filing a written request with the county clerk before the signatures are validated and counted pursuant to this section."

{Internal References to 7-2-2604: None.}

Section 16. Section 7-2-2705, MCA, is amended to read:

"7-2-2705. Petition to amend proposed consolidation. (1) At any time prior to 5 days before the date fixed for consideration

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and final action on the petition, 50% of the registered electors residing within a particular part or portion of the county may file with the county clerk of the county a petition in writing, signed by them, asking that the part or portion of the county within which the petitioners reside not be attached to the county designated in the petition for abandonment but be attached to some other adjoining county. ~~A person, after signing the petition, may not be allowed or permitted to withdraw the person's signature or name from the petition.~~

(2) The petition authorized by subsection (1) must definitely, particularly, and accurately describe the boundaries of the part or portion of the county that the petitioners desire to be attached to the other adjoining county and must specify and name the other adjoining county to which the part or portion is to be attached if the county is abandoned and abolished.

(3) Separate and independent petitions may be filed by registered electors residing within the boundaries of separate and distinct and different parts or portions of the county, asking that, if the county is abandoned, the territory embraced within the boundaries described in the petition be attached to and become parts of the same or different adjoining counties other than the county named and designated in the petition for abandonment."

{*Internal References to 7-2-2705:*
x7-2-2706 }

Section 17. Section 7-2-2709, MCA, is amended to read:

"7-2-2709. Election on question of abandonment and consolidation. (1) (a) Within 14 days after transmittal of the resolution provided for in 7-2-2707, the boards of county commissioners of the county in which the petition referred to in the resolution was filed and of each county designated in the resolution as a county to which any of the territory of the county, if abandoned and abolished, would be attached and made a part, shall, in a joint meeting and by joint resolution of the boards, call ~~a special~~ an election in all affected counties ~~to be held in conjunction with the next regular or primary election.~~ The election must be conducted in accordance with [section 9].

(b) ~~The joint resolution shall fix a day for holding the election in the counties. If a general election will be held in the counties less than 90 days or more than 120 days after the date of the resolution provided for in 7-2-2707, the joint resolution must direct that the question be submitted to the registered electors of the counties at the general election. The joint resolution must be filed in the office of the secretary of state, and copies of the resolution must be transmitted to the election administrator of each of the counties in which the election is to be held.~~

(2) At the election there must be submitted:

(a) to the registered electors of the county in which the petition was filed, the question of whether or not the county is to be abandoned and abolished and its territory attached to and made a part of the county designated and named for the purpose in the petition; and

(b) to the registered electors of each county named and designated in the resolution as a county to which a part of the territory of the county proposed to be abandoned and abolished is to be attached and made a part if the county is abandoned and abolished, the question of whether or not the part of the territory of the county, if abandoned and abolished, described in the resolution must be attached to and become a part of the county."

{*Internal References to 7-2-2709: None.*}

Section 18. Section 7-2-2804, MCA, is amended to read:

"7-2-2804. Order for election -- registered electors entitled to vote. (1) Upon execution of an interlocal agreement under 7-2-2803(2), the boards of county commissioners in the adjoining counties for which boundary changes are proposed shall, after providing public notice pursuant to 7-1-2121 in the county seat of each adjoining county, hold a public hearing in the area proposed to be moved from one county to another in order to accept comment on the proposed cost of compliance with 7-2-2807 as stated in the interlocal agreement pursuant to 7-2-2803(2). After the public hearing, the boards of county commissioners shall order and give notice of an election to be held for the purpose of determining whether or not to change the boundaries of the adjoining counties. ~~The order may not be made less than 75 days before the election is to be held.~~

(2) ~~The question of determining whether or not to change the boundaries of the adjoining counties must be included on the~~

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~~ballot for the next regular election scheduled not less than 75 days after the date of the order and the notice.~~

~~——(3)~~ All registered electors of the adjoining counties are entitled to vote at the election.

~~(4)~~(3) The notice must require that the ballot contain the legal description of the proposed boundary change, together with any descriptive name or names for the property that may be in common use.

~~(5)~~(4) The election must be conducted in conformance with ~~the provisions of Title 13 unless otherwise provided for in 7-2-2804 through 7-2-2806~~ [section 9]."

{*Internal References to 7-2-2804:*
a7-2-2804 * }

Section 19. Section 7-2-4104, MCA, is amended to read:

"7-2-4104. Election on question of organization. (1) After filing the petition and census, if there is the requisite number of inhabitants for the formation of a municipal corporation as required in 7-2-4103, the county commissioners shall call an election ~~of~~ for all the registered electors residing in the territory described in the petition.

(2) The election must be held at a convenient place within the territory described in the petition, to be designated by the board. ~~If possible, the election must be held in conjunction with a regular or primary election~~ The election must be conducted in accordance with [section 9].

(3) The ballots used at the election must contain the words

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"For incorporation" or "Against incorporation", ~~and all elections must be conducted as provided in Title 13.~~

{*Internal References to 7-2-4104: None.*}

Section 20. Section 7-2-4106, MCA, is amended to read:

"7-2-4106. First election for officers. (1) When the incorporation of a city or town is completed, the board of county commissioners shall give notice for 30 days in a newspaper published within the limits of the city or town or, if none is published within the limits, by posting notices in six public places within the limits of the city or town of the time and place or places of holding the first election for offices of the city or town. The election may be held in conjunction with a ~~regular general or primary~~ the election on the question of incorporation under 7-2-4106 and must be conducted in accordance with [section 9].

(2) At the election, all the electors qualified by the general election laws of the state who have resided within the limits of the city or town for 6 months and within the limits of the ward for 30 days preceding the election are qualified electors and may choose officers for the city or town, to hold office as prescribed in 7-2-4107.

~~(3) The board shall appoint election judges and canvass and declare the result of the election. The election must be conducted in the manner required by law for the election of county officers.~~

~~(4) If the first election of officers is not held in~~

~~conjunction with a regular or primary election, the offices filled in the election may be occupied only until the next election regularly scheduled for those offices."~~

{*Internal References to 7-2-4106:*
x7-2-4107 }

Section 21. Section 7-2-4314, MCA, is amended to read:

"7-2-4314. Hearing on question of annexation -- vote on question of annexation -- resolution of annexation. (1) (a) The city or town clerk shall, at the next regular meeting of the city or town council after the expiration of the 20-day period provided for in 7-2-4313, forward all written communication received by the clerk for the city or town council's consideration.

(b) Except as provided in subsection (1)(d), if the city or town council, after considering all written communication, adopts a resolution approving the annexation, the implementation of the resolution must be approved by the vote of the registered voters residing in the area proposed for annexation. The resolution must state the date on which the proposed annexation is intended to take effect.

(c) Within 45 days of adopting the resolution for annexation, the city or town council shall, except as provided in subsection (1)(d), submit the question of approving the resolution to the registered voters residing in the area proposed for annexation. A notice of election must be mailed to all registered voters residing in the area proposed for annexation.

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The election must be conducted as provided in [section 9].

(d) If the area to be annexed contains less than 300 recorded parcels, the city or town council, after considering all written communication, may adopt a resolution approving the annexation without an election and the boundaries of the city or town must be extended to include the platted tracts or parcels of land or unplatted land for which a certificate of survey has been filed. An area annexed pursuant to this subsection may include land used for railroad purposes. ~~¶~~ However, a city or town council may not annex by resolution an area containing less than 300 recorded parcels if the resolution is disapproved in writing by a majority of real property owners of the area proposed to be annexed. If the resolution is disapproved by a majority of the landowners, the city or town council may not on its own initiative propose further resolutions relating to the annexation of the area or any portion of the area, without petition, for a period of 1 year.

(2) ~~Except as provided in subsection (1)(d)~~ If a resolution subject to approval at an election pursuant to subsections (1)(b) and (1)(c) is not approved by voters, further resolutions relating to the annexation of the area or any portion of the area may not be considered or acted upon by the council on its own initiative, without petition, for a period of 5 years from the date of disapproval by the voters as provided in subsection (1) the election."

{*Internal References to 7-2-4314:*

x7-2-4303

x7-2-4303

x7-2-4311

x7-2-4501 }

Section 22. Section 7-2-4601, MCA, is amended to read:

"7-2-4601. Annexation by petition. (1) The boundaries of any incorporated city or town may be altered and new areas annexed as provided in this part.

(2) The council or other legislative body of a municipal corporation, upon receiving a written petition for annexation containing a description of the area to be annexed and signed by not less than 33 1/3% of the registered electors of the area proposed to be annexed, shall without delay, except as provided in subsection (3), submit to the electors of the municipal corporation and to the registered electors residing in the area proposed by the petition to be annexed the question of whether the area should be made a part of the municipal corporation.

(3) (a) The governing body of a municipality need not submit the question of annexation to the qualified electors as provided in subsection (2) if it has received a written petition containing a description of the area requested to be annexed and signed by:

(i) more than 50% of the resident electors owning real property in the area to be annexed; or

(ii) the owner or owners of real property representing 50% or more of the total area to be annexed.

(b) The governing body may approve or disapprove a petition submitted under the provisions of subsection (3)(a) on its merits. When the governing body approves the petition, it shall pass a resolution providing for the annexation."

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{*Internal References to 7-2-4601:*
a7-2-4606 x7-2-4608 }

Section 23. Section 7-2-4602, MCA, is amended to read:

"7-2-4602. Election on question of annexation by petition.

(1) The election on the question of annexation ~~may be submitted at the next general municipal election to be held in the municipal corporation or it may be submitted prior to the general election, either at a special election called for that purpose or at any other municipal election, except an election at which the submission of such question is prohibited by law.~~

~~—(2) The election shall be conducted and the returns made in the same manner as other city or town elections. All election laws governing city and town elections shall govern, insofar as they are applicable~~ must be conducted in accordance with [section 9].

~~(3)~~(2) Whenever an election on the question of annexation under this title is ~~submitted at either a general city or town election or at a special election held in conjunction with another election,~~ the annexation question must be presented on a separate ballots ballot, ~~shall be provided therefor.~~"

{*Internal References to 7-2-4602: None.*}

Section 24. Section 7-2-4606, MCA, is amended to read:

"7-2-4606. Resolution of annexation. (1) (a) ~~It is found that~~ a majority of votes were cast in favor of the annexation, the city or town council or other legislative body shall, at a

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regular or special meeting held within 30 days of the election, pass and adopt a resolution providing for the annexation.

(b) The resolution must state that a petition has been filed with the council or other legislative body with the signatures of 33 1/3% of the resident electors owning real property in the area proposed to be annexed; a description of the boundaries of the area to be annexed; a copy of the resolution ordering ~~a general or special~~ the election; a copy of the notice of the election; the time and result of the canvass of the votes received in favor of annexation and the number of votes cast against annexation; and that the boundaries of the city or town will be extended to include the area described in the petition for annexation. The resolution must be incorporated in the minutes of the council or legislative body.

(2) A resolution adopted pursuant to 7-2-4601(3) must include a statement that a petition has been filed with the governing body containing the signatures of more than 50% of the resident electors owning real property or the owners of real property representing 50% or more of the total area to be annexed; a description of the boundaries of the area to be annexed; and a statement that the boundaries of the municipality are to be extended to include the area described in the petition for annexation. The resolution must be incorporated in the minutes of the governing body. Upon incorporation in the minutes, the resolution must be filed and becomes effective as provided in 7-2-4607."

{*Internal References to 7-2-4606: None.*}

Section 25. Section 7-2-4733, MCA, is amended to read:

"7-2-4733. Vote required on proposed capital improvements.

Included within the plan must be methodology whereby the area to be annexed may vote upon any proposed capital improvements.

Should a negative vote be cast by over 50% of the residents in the section or sections to be annexed in such election, the area may not be annexed. An election under this section must be conducted as provided in [section 9]."

{*Internal References to 7-2-4733:*

x7-2-4711 x7-2-4742 * x7-2-4742 }

Section 26. Section 7-2-4902, MCA, is amended to read:

"7-2-4902. Disincorporation by election. (1) Any city or town may be disincorporated in the manner provided in this section.

(2) If the registered electors of a city or town equal in number to at least 15% of the number of municipal electors registered at the last ~~municipal~~ general election petition the board of county commissioners of the county where the city or town is situated to disincorporate the city or town or if the city governing body by a two-thirds vote of all its members resolves to disincorporate, then the board shall order ~~a special~~ an election to be held within the city or town on the question of disincorporating the city or town. The election must be ~~held in conjunction with a regular or primary election~~ conducted in accordance with [section 9]."

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{*Internal References to 7-2-4902:*
x7-2-4903 }

Section 27. Section 7-2-4904, MCA, is amended to read:

"7-2-4904. ~~Details of election on disincorporation~~ Ballot form. (1) ~~The election shall be conducted in the same manner as a regular city or town election. The election returns shall be made and canvassed in the same manner as are general election returns.~~
~~—(2) The form of the ballot shall be:~~

[] FOR the disincorporation of (insert name of city or town)

[] AGAINST the disincorporation of (insert name of city or town)."

{*Internal References to 7-2-4904: None.*}

Section 28. Section 7-3-103, MCA, is amended to read:

"7-3-103. Amendment of self-government charter or adopted alternative form of government. (1) An amendment to a self-government charter or an adopted alternative form of government may only be made by submitting the question of amendment to the electors of the local government. To be effective, a proposed amendment must receive an affirmative vote of a majority of the electors voting on the question. An amendment approved by the electors becomes effective on the first day of the local government fiscal year following the fiscal year

of approval unless the question submitted to the electors provides otherwise.

(2) An amendment to a self-government charter or an adopted alternative form of government may be proposed by initiative by petition of 15% of the electors registered at the last general election of the local government or by ordinance enacted by the governing body. The question on amendment of a charter or an adopted alternative form of government must be submitted to the electors ~~at the next regular or primary election~~ in accordance with [section 9].

(3) The local government, by ordinance, may provide procedures for the submission and verification of initiative petitions."

{*Internal References to 7-3-103: None.*}

Section 29. Section 7-3-125, MCA, is amended to read:

"7-3-125. Petition for alteration. (1) A petition for the alteration of an existing form of local government may be presented to the governing body of the local government. The petition must meet the requirements of 7-3-142 through 7-3-145.

(2) The petition must be signed by at least 15% of the electors of the local government registered at the last general election, ~~and upon receipt of the petition the governing body shall call an election, as provided for in 7-3-149 through 7-3-151, on the proposed alteration.~~ Whenever county-municipal consolidation is proposed, the petition must be signed by at least 15% of the electors residing within the municipality or

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municipalities proposed to be consolidated and 15% of the electors residing in the remainder of the county."

{*Internal References to 7-3-125:*

x7-3-121 x7-3-122 x7-3-124 x7-3-124
x7-3-154 }

Section 30. Section 7-3-149, MCA, is amended to read:

"7-3-149. Election on alteration of form of government. (1)

~~The~~ Upon the election administrator's verification that a petition filed pursuant to sections 7-3-121 through 7-3-125 and 7-3-141 through 7-3-148 meets all the necessary requirements, the governing body shall call ~~a special~~ an election on the question of an alteration of the form of government or change in a plan of government proposed by the petition ~~to be held at the next regular or primary election that is at least 75 days after the call and the date of filing with the records administrator under 7-3-146. The records administrator shall prepare and print notices of the election. The election must be conducted in accordance with [section 9].~~

(2) The cost of the election must be paid for by the local government.

(3) (a) The affirmative vote of a simple majority of those voting on the question is required for adoption.

(b) In any election involving the question of consolidation, each question must be submitted to the electors in the county and requires an affirmative vote of a simple majority of the votes cast in the county on the question for adoption. There is no requirement for separate majorities in local

governments voting on consolidation.

(c) In any election involving the question of county merger, the questions must be submitted to the electors in the counties affected and require a majority of the votes cast on the questions in each affected county for adoption.

(d) If the electors disapprove the proposed new form of local government, amendments, or consolidation plan, the local government retains its existing form."

{Internal References to 7-3-149:

x7-3-121 * x7-3-122 * x7-3-124 * x7-3-124 *
x7-3-125 * x7-3-154 * a7-3-192 }

Section 31. Section 7-3-155, MCA, is amended to read:

"7-3-155. Three-year moratorium. (1) Unless the constitution requires otherwise, ~~the electors of any unit of local government that has voted upon~~ an election on the question of changing the form of local government, charter, or consolidation plan may not ~~vote on the question of changing the form of local government~~ be conducted again for 3 years.

(2) For the purposes of this section, general election dates are considered to be 1 year apart and may be used in computing the 3-year moratorium. An election on the question of changing an alternative form of a unit of local government may not be challenged as failing to conform with the moratorium provisions of this section because 3 full calendar years may not have elapsed."

{Internal References to 7-3-155:

x7-3-121 * x7-3-122 * x7-3-124 * x7-3-124 *
x7-3-154 * x7-3-193 * }

Section 32. Section 7-3-160, MCA, is amended to read:

"7-3-160. Election of new officials. ~~(1)~~ Within 20 days after an election at which a new form of government or change in a plan of government is approved by the electors, the governing body of the local government shall meet and order a ~~special~~ primary and general election for the purpose of electing the officials required by the new form or plan of government. ~~The elections for officials must be held in conjunction with any other election of that government~~ election must be conducted as provided in [section 9] with the primary election held on the statewide primary election day established in 13-1-107 and the general election held on the statewide general election day established in 13-1-104.

~~(2) The order must specify:~~

~~— (a) a date for the primary election to be held no later than the government's next regularly scheduled primary election; and~~

~~— (b) a date for the general election to be held no later than the next regularly scheduled city or county general election following the primary election date established under subsection (2)(a)."~~

{*Internal References to 7-3-160:*

x7-3-121 * x7-3-122 * x7-3-124 * x7-3-124 *
x7-3-154 * x7-3-193 * }

Section 33. Section 7-3-173, MCA, is amended to read:

"7-3-173. Establishment of study commissions. (1) A study

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commission may be established by an affirmative vote of the people. An election on the question of conducting a local government review and establishing a study commission must be held if:

(a) ~~whenever~~ the governing body of the local government unit calls for an election by resolution;

(b) ~~whenever~~ a petition signed by at least 15% of the electors of the local government calling for an election is submitted to the governing body; or

(c) ~~whenever~~ 10 years have elapsed since the electors have voted on the question of conducting a local government review and establishing a study commission.

(2) The governing body shall call for an election, ~~to be held on the primary election date,~~ on the question of conducting a local government review and establishing a study commission, as required by Article XI, section 9(2), of the Montana constitution, within 1 year after the 10-year period referred to in subsection (1)(c)."

{*Internal References to 7-3-173:*

x7-3-171 * x7-3-174 * a7-3-175 x7-3-177 }

Section 34. Section 7-3-174, MCA, is amended to read:

"7-3-174. Election procedures. (1) ~~Votes cast~~ An election on the question of establishing a study commission and for electing study commission members ~~shall be counted, canvassed, and returned as provided in Title 13 for general elections~~ must be conducted in accordance with [section 9], except:

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(a) an election under 7-3-173(1)(a) or (1)(b) may be conducted on any day established by the governing body that is not later than 90 days from the date the resolution was adopted or the petition was determined to meet all requirements; and

(b) an election under 7-3-173(1)(c) must be held on the statewide primary election day established in 13-1-107.

(2) The election administrator shall report the results of ~~all elections~~ an election conducted under 7-3-171 through 7-3-193 to the secretary of state within 15 days of the date the election results become official."

{*Internal References to 7-3-174:*
x7-3-171 * x7-3-174 * }

Section 35. Section 7-3-175, MCA, is amended to read:

"7-3-175. ~~Election on question of establishing study commission~~ Ballot form and question. (1) The question of conducting a local government review and establishing a study commission must be submitted to the electors in substantially the following form:

Vote for one:

FOR the review of the government of (insert name of local government) and the establishment and funding, not to exceed (insert dollar or mill amount), of a local government study commission consisting of (insert number of members) members to examine the government of (insert name of local government) and submit recommendations on the government.

AGAINST the review of the government of (insert

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name of local government) and the establishment and funding, not to exceed (insert dollar or mill amount), of a local government study commission consisting of (insert number of members) members to examine the government of (insert name of local government) and submit recommendations on the government.

~~(2) The question of conducting a local government review and establishing a study commission requires an affirmative vote of a majority of those voting on the question for passage.~~

~~(3) Except for elections to be conducted pursuant to 7-3-173(2), a special election on the question of reviewing a local government and establishing a study commission must be held no sooner than 60 days and no later than 90 days after the passage of a resolution or the certification of a petition calling for an election on the question."~~

{*Internal References to 7-3-175:*
x7-3-171 * x7-3-174 * }

Section 36. Section 7-3-176, MCA, is amended to read:

"7-3-176. Election of commission members -- appointments.

(1) If the question of reviewing the local government and establishing a study commission is approved, an election to fill the positions on the local government study commission must be held ~~in conjunction with the first regularly scheduled election of the local government conducted after 90 days following the election establishing the study commission~~ in accordance with [section 9]. A primary election may not be held.

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(2) The names of study commission candidates who have filed declarations of nomination ~~not later than 75 days before the date of the election~~ must be placed on the ballot. There is no filing fee. The election is nonpartisan, and candidates must be listed without party or other designation or slogan. The secretary of state shall prescribe the ballot form for study commissioners.

(3) Candidates for study commission positions must be electors of the local government for which the study commission has been established. The candidates may not be elected officials of the local government.

(4) The number of candidates, equal to the number of study commission positions to be elected, receiving the highest number of votes, which includes votes cast for candidates who have officially filed nominations and votes for write-in candidates, must be declared elected. If there is a tie vote among candidates, the governing body shall decide by lot which candidate will fill the position.

(5) If the number of study commissioners elected is not equal to the number required to be selected, the presiding officer of the governing body, with the confirmation of the governing body, shall appoint the additional study commissioners within 20 days of the election. An elected official of the local government may not be appointed."

{*Internal References to 7-3-176:*
x7-3-171 * x7-3-174 * x7-3-178 }

Section 37. Section 7-3-178, MCA, is amended to read:

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"7-3-178. Term of office -- vacancies -- compensation. (1)

The term of office of study commission members begins on the day that their election to the study commission is declared or certified under 13-15-405 or on the day of their appointment and ends on the day of the vote on the alternative plan. If the alternative plan is adopted, the term continues for 90 days after the day of the vote on the alternative plan. If the commission recommends no alternative plan, the term ends 30 days after submission of the final report in accordance with 7-3-187.

(2) Except as provided in subsection (1), the term of office of study commission members ~~terminates on the date of the first statewide general election following the election required by 7-3-176~~ is 1 year.

(3) A vacancy on a study commission, including an ex officio member vacancy, must be determined in the same manner as a vacancy in municipal office as provided in 7-4-4111. A vacancy on a study commission must be filled by appointment by the governing body of the local government being studied by the commission. The appointment must be made within 30 days of the date the vacancy occurs.

(4) Members of the study commission may not receive compensation other than for actual and necessary expenses incurred in their official capacity."

{*Internal References to 7-3-178:*
x7-3-171 * x7-3-174 * }

Section 38. Section 7-3-186, MCA, is amended to read:

"7-3-186. Study commission timetable. (1) Each local government study commission shall, within 90 days of its organizational meeting, establish a timetable for its deliberations and actions. The timetable must be published in a local newspaper of general circulation. The timetable may be revised, but each revision must be republished.

(2) The timetable must provide, at a minimum, the following provisions, to be accomplished chronologically in the order presented:

(a) conduct one or more public hearings for the purpose of gathering information regarding the current form, functions, and problems of local government;

(b) formulate, reproduce, and distribute a tentative report, containing the same categories of information required to be included in the final report;

(c) conduct one or more public hearings on the tentative report;

(d) adopt the final report of the commission and set the date for ~~a special~~ an election on the question of adopting a new plan of government pursuant to 7-3-192 or, if the study commission is not recommending any changes, publish and distribute the final report as provided in 7-3-187 within 60 days after the final report is adopted. ~~The special election must be held in conjunction with a regular or primary election.~~"

{Internal References to 7-3-186:
x7-3-171 * x7-3-174 * }

Section 39. Section 7-3-187, MCA, is amended to read:

"7-3-187. Final report. (1) A study commission shall adopt a final report. If the study commission recommends an alteration of a local government, the final report must contain the following materials and documents, each signed by a majority of the study commission members:

(a) those materials and documents required of a petition proposing an alteration of a local government in 7-3-142;

(b) a certificate establishing the date of the ~~special~~ election, ~~which must be held in conjunction with a regular or primary election,~~ pursuant to 7-3-192 at which the alternative form of government or change in a plan of government is presented to the electors and a certificate establishing the form of the ballot question or questions; and

(c) a certificate establishing the dates of the first primary and general elections for officers of a new government if the proposal is approved and establishing the effective date of the proposal if approved.

(2) The final report must contain any minority report signed by members of the commission who do not support the majority proposal.

(3) If the study commission is not recommending any changes, its final report must indicate that changes are not recommended.

(4) The study commission shall file two copies of the final report with the department of administration, one of which the department shall forward to the state library. A copy of the

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final report must be certified by the study commission to the municipal or county records administrator within 30 days after the adoption of the final report.

(5) Sufficient copies of the final report must be prepared for public distribution. The final report must be available to the electors not later than 30 days prior to the election on the issue of adopting the alternative form or plan of government. Copies of the final report may be distributed to electors or residents of the local government or governments affected.

(6) After submission of the final report, the commission shall deposit copies of its minutes and other records with the county clerk and recorder."

{*Internal References to 7-3-187:*

x7-3-171 * x7-3-174 * a7-3-178 a7-3-186
x7-3-188 }

Section 40. Section 7-3-192, MCA, is amended to read:

"7-3-192. Election on recommendation. (1) An alternative form or plan of government recommended by a study commission must be submitted to the voters in the same manner as provided in 7-3-149. ~~The election must be held in conjunction with any regularly scheduled election.~~

(2) ~~General ballot~~ Ballot requirements and treatment of suboptions on an alternative form or plan of government recommended by a study commission must be the same as for recommendations by petition as provided in 7-3-150 and 7-3-151."

{*Internal References to 7-3-192:*

x7-3-171 * x7-3-174 * }

Section 41. Section 7-3-1205, MCA, is amended to read:

"7-3-1205. Certification of petition -- board action -- election. (1) If the county election administrator finds that the petition or amended petition is signed by the required number of registered electors, the election administrator shall certify the finding to the board of county commissioners at their next regular meeting.

(2) The board shall, within 10 days after receiving the election administrator's certificate, order ~~a special~~ an election to be held on the question. ~~The order must specify that the election will be held in conjunction with the next regular or primary election. The board of county commissioners shall issue a proclamation setting forth the purpose for which the special election is held and the date of holding the election. The proclamation must be published in the manner prescribed by~~ 13-1-108 The election shall be conducted in accordance with [section 9]."

{Internal References to 7-3-1205: None.}

Section 42. Section 7-3-1206, MCA, is amended to read:

"7-3-1206. Form of ballot. ~~At such election the ballots to be used shall be printed on plain white paper, shall conform as nearly as possible to the ballots used in general elections, and shall have printed thereon the following~~ The ballot for an election pursuant to 7-3-1205 shall present the following question:

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Shall the corporate existence and government of the county of and of each and every city and town therein be consolidated and merged into one municipal corporation and government under the provisions of chapter 121, acts of the eighteenth legislative assembly of the state of Montana, to be known and designated as "city and county of"?

YES.

NO."

{*Internal References to 7-3-1206: None.*}

Section 43. Section 7-3-1208, MCA, is amended to read:

"7-3-1208. Election of commission upon favorable vote. (1)

If the majority of the votes cast at the election are in favor of the consolidation and merging, the board of county commissioners of the county shall, within 2 weeks after the election returns have been canvassed, order ~~a special~~ an election to be held in ~~conjunction with the next regular or primary election~~ accordance with [section 9] for the purpose of electing the number of members of the commission to which the consolidated municipality is entitled. This order must specify the time when the election will be held. ~~The board of county commissioners, immediately upon making the order, shall issue a proclamation setting forth the purpose for which the special election is held and the date of holding the election. The proclamation must be published in the manner prescribed by 13-1-108.~~

(2) A primary election may not be held for the purpose of nominating candidates ~~for members of the commission to be voted~~

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~~for at the special election. The candidates must be nominated directly by a petition that is in substantially the same form and signed by the same number of signers as required for primary nominating petitions. The election must be conducted, the vote must be returned and canvassed, and the result must be declared in the same manner as provided by law in respect to general elections."~~

{Internal References to 7-3-1208: None.}

Section 44. Section 7-3-1209, MCA, is amended to read:

"7-3-1209. Resolution declaring creation of consolidated government. (1) At the first meeting of the commission whose members are first elected under the provisions of this part, the commission shall adopt a resolution reciting the filing of the petition provided for in 7-3-1204, the ordering ~~and holding of a special of an~~ election as requested in the petition, the result of the election and the holding of ~~the special an~~ election for and the election of the members of the first commission, and the name and designation of the consolidated municipality. This resolution must be in duplicate and signed by all of the members of the commission and also entered at length on the journal of the commission. One copy of the resolution must be filed in the office of the clerk of the commission, and the other copy must be transmitted to and filed in the office of the secretary of state.

(2) Immediately upon the adoption of the resolution by the commission, the separate corporate existence of the county and of each city and town therein is considered to be consolidated and

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merged into one municipal corporation under the name selected, designated, and adopted as provided in this part, and the consolidated municipality is considered to have succeeded to and to possess and own all of the property and assets of every kind and description and shall, except as otherwise provided, become responsible for all of the obligations and liabilities of the county, cities, and towns consolidated and merged."

{*Internal References to 7-3-1209: None.*}

Section 45. Section 7-3-1216, MCA, is amended to read:

"7-3-1216. Term of office of commission members. (1) Except as provided in subsection (2), the term of office of members of the commission shall be 4 years and shall commence on the first Monday of January following their election.

(2) The terms of office of the members first elected ~~at such special election~~ shall commence on the first day of the third month following their election, and the terms of office of a majority of such members first elected, to be determined by lot, shall expire when their successors are elected and qualified in the first year following their election, and the terms of the remaining members first elected shall expire when their successors are elected and qualified in the third year following their election."

{*Internal References to 7-3-1216: None.*}

Section 46. Section 7-3-1218, MCA, is amended to read:

"7-3-1218. Meetings of commission. (1) (a) Except as

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provided in subsection (1)(b), at 2 p.m. on the first Monday of January following a ~~regular~~ general municipal election, the commission shall meet at the courthouse in the consolidated municipality and the newly elected members shall assume the duties of office.

(b) The first meeting of the commission after the ~~special~~ election at which the first members of the commission are elected shall be held at 2 p.m. on the first day of the third month following the special election, and at this meeting the members of the commission shall determine by lot the members whose terms will expire on the first Monday of January in the first year following ~~such special~~ their election and the members whose terms will expire on the first Monday of January in the third year following ~~such~~ their election.

(2) Thereafter the commission shall meet at such times as may be prescribed by ordinance or resolution, but not less frequently than once in each month. Special meetings shall be called by the clerk of the commission upon written request of the president, the manager, or a majority of the members of the commission. A notice of a meeting shall state the subject to be considered at the meeting, and no other subject shall be considered at the meeting.

(3) All meetings of the commission and of committees thereof shall be open to the public, and the rules of the commission shall provide that citizens of the municipality shall have a reasonable opportunity to be heard at any meeting in regard to any matter considered ~~thereat~~ at the meeting."

{Internal References to 7-3-1218: None.}

Section 47. Section 7-3-1219, MCA, is amended to read:

"7-3-1219. Organization and officers of commission. (1) At the first meeting of the commission following the ~~special~~ election at which the members of the commission are first elected and after that time at its meeting on the first Monday of January following each ~~general~~ election at which members of the commission are elected, the commission shall choose one of its members as president and another as vice president.

(2) The president shall preside at meetings of the commission and shall exercise the powers and perform the duties conferred and imposed by part 13 or this part and the ordinances of the municipality. The president is the official head of the municipality for all ceremonial purposes, by the courts for serving civil processes, and by the governor for purposes of military law. In time of public danger or emergency, the president shall, if authorized by a vote of the commission, take command of the police, maintain order, and enforce the law. If a vacancy occurs in the office of president or in case of the president's absence or disability, the vice president shall act as president for the unexpired term or during the continuance of the absence or disability.

(3) The director of finance is ex officio clerk of the commission and shall, either in person or by deputy, keep the records of the commission and perform other duties that may be required by part 13 or this part or by the commission."

{Internal References to 7-3-1219: None.}

Section 48. Section 7-3-1229, MCA, is amended to read:

"7-3-1229. Submission of initiative measure to electors.

(1) If the commission fails to pass an ordinance proposed by initiative petition or passes it in a form different from that set forth in the petition, the committee of the petitioners may require that it be submitted to a vote of the electors either in its original form or with any change or amendment presented in writing, either at a public hearing before the committee to which the proposed ordinance was referred or during consideration by the commission. If the committee of petitioners requires the submission of a proposed ordinance to a vote of the electors, the committee shall certify that fact to the clerk and file in the clerk's office a certified copy of the ordinance, in the form in which it is to be submitted, within 10 days after final action on the ordinance by the commission.

(2) Upon receipt of the certified copy of a proposed ordinance from the committee of the petitioners, the clerk shall certify the fact to the commission at its next regular meeting. The proposed ordinance must be submitted to a vote of the electors at ~~the next regular or primary election~~ an election conducted in accordance with [section 9]. If a majority of those voting on a proposed ordinance vote in favor of the proposed ordinance, it is an ordinance of the municipality."

{Internal References to 7-3-1229:
x7-3-1223 x7-3-1227 }

Section 49. Section 7-3-1231, MCA, is amended to read:

"7-3-1231. Action on referendum petition. (1) If a referendum petition or amended petition is found sufficient, the clerk shall certify that fact to the commission at its next regular meeting and the ordinance or part of the ordinance set forth in the petition may not go into effect, or further action under the ordinance is suspended if it has gone into effect, until approved by the electors.

(2) Upon receipt of the clerk's certificate, the commission shall reconsider the ordinance or part of the ordinance, and its final vote upon reconsideration must be upon the question "Shall the ordinance (or part of the ordinance) set forth in the referendum petition be repealed?" If upon reconsideration the ordinance or part of the ordinance is not repealed, it must be submitted to the electors at ~~the next regular or primary election~~ an election conducted in accordance with [section 9]. If when submitted to the electors any ordinance or part of an ordinance is not approved by a majority of those voting on the issue, it is repealed."

{*Internal References to 7-3-1231: None.*}

Section 50. Section 7-3-1254, MCA, is amended to read:

"7-3-1254. Nonpartisan nature of government. (1) A person holding an appointive office or position in the municipal government may not directly or indirectly solicit or receive or be in any manner concerned in soliciting or receiving any

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assessment, subscription, or contribution for any political party or purpose. A person may not orally or by letter solicit or be in any manner concerned in soliciting any assessment, subscription, or contribution for any political party or purpose from any person holding an appointive office or position in the municipal government. A person may not use or promise to use the person's influence or official authority to secure any appointment or prospective appointment to any position in the service of the municipality as a reward or return for personal or partisan political service. A person may not take part in preparing any political assessment, subscription, or contribution with the intent that it should be sent or presented to or collected from any person in the service of the municipality. A person may not knowingly send or present, directly or indirectly, in person or otherwise, any political assessment, subscription, or contribution to or request its payment by any person in the service of the municipality.

(2) A person in the service of the municipality may not discharge, suspend, lay off, reduce in grade, or in any manner change the official rank or compensation of any person in service or threaten to do so for withholding or neglecting to make any contribution of money or service or any valuable thing for any political service. A person holding an appointive office or place in the municipal government may not act as an officer in a political organization or serve as a member of a committee of any political organization or circulate or seek signatures for any petition provided for by ~~primary~~ or election laws.

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(3) A person who, individually or in cooperation with one or more persons, willfully or corruptly violates any of the provisions of subsections (1) and (2) shall be guilty of a misdemeanor and shall upon conviction be punished by a fine of not less than \$50 or more than \$500, by imprisonment for a term not exceeding 3 months, or both, and if the person is an officer or employee of the municipality, the person shall immediately forfeit the office or employment."

{*Internal References to 7-3-1254: None.*}

Section 51. Section 7-3-1271, MCA, is amended to read:

"7-3-1271. General provisions related to elections. (1) For any election held on the question of the adoption of this part and part 13 and for the first election of members of the commission thereunder if adopted, the county election administrator and board of county commissioners shall exercise the powers and perform the duties respecting elections prescribed for county election administrators and boards of county commissioners by the general laws of the state.

(2) After the adoption of this part and part 13 by the electors of the county and the election and qualification of a commission ~~thereunder~~, elections shall be conducted as provided ~~in Title 7 and Title 13~~ [section 9]."

{*Internal References to 7-3-1271: None.*}

Section 52. Section 7-3-4208, MCA, is amended to read:

"7-3-4208. Petition to organize under commission form --

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election required. (1) When a petition on the question of reorganization under this part is filed with the city council and is signed by not less than 25% of the qualified electors of the city registered for the last preceding general city election, the city council shall order ~~a special~~ an election to be held ~~in conjunction with the next regular or primary election in~~ accordance with [section 9]. At this election, the question of reorganization of the city under the provisions of this part must be submitted to the qualified electors of the city.

(2) The order of the city council must specify the time when the election will be held."

{*Internal References to 7-3-4208: None.*}

Section 53. Section 7-3-4210, MCA, is amended to read:

"7-3-4210. Form of ballot. At ~~such~~ an election under 7-3-4208 the ballots ~~to be used shall be printed upon plain white paper and~~ shall be headed "Special election for the purpose of submitting to the qualified electors of the city of the question of reorganization of the city of under Chapter 57, Laws of 1911" and shall be substantially in the following form:

[] FOR reorganization of the city of under chapter 57, Laws of 1911.

[] AGAINST reorganization of the city of under chapter 57, Laws of 1911."

{*Internal References to 7-3-4210: None.*}

Section 54. Section 7-3-4212, MCA, is amended to read:

"7-3-4212. **Effect of vote on question.** (1) If ~~such~~ the proposition is adopted, the mayor shall transmit to the governor, to the secretary of state, and to the county clerk and recorder each a certificate stating that ~~such~~ the proposition was adopted.

(2) If ~~such~~ the proposition ~~shall~~ was not ~~be~~ adopted approved at ~~such~~ special the election, ~~such~~ the proposition ~~shall~~ may not again be submitted to the electors of ~~such~~ the city within for a period of 2 years ~~thereafter~~."

{*Internal References to 7-3-4212: None.*}

Section 55. Section 7-3-4214, MCA, is amended to read:

"7-3-4214. **First term of office.** (1) The term of office for the mayor and council members ~~elected at a special election shall qualify and their terms of office must begin~~ begins on the first Monday after their election. The terms of office of the mayor and council members or city council members in the city in office at the beginning of the term of office of the council members first elected under the provisions of this part end, and the terms of office of all their appointed officers in ~~force~~ in the city, except as provided in this part, end, as ~~soon as the council shall~~ stated by resolution ~~declare~~.

(2) The terms of office of the mayor and all council members ~~elected at the special election~~ expire on the first Monday in January of the first even-numbered year following their election. At the first regular general city election held in the year prior to the year in which the terms of office of the mayor and council members ~~elected at the special election~~ expire, a

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mayor and two council members must be elected in cities having a population of less than 25,000. The mayor elected at the first general city election shall hold office for 4 years, one of the council members elected at the first city election shall hold office for 2 years, and the other of the council members elected at the first general city election shall hold office for 4 years, beginning with the first Monday in January of the year following their election. A mayor and four council members must be elected in cities having a population of 25,000 or more, and the mayor elected at the first general city election shall hold office for 4 years. Two of the council members elected at the first general city election shall hold office for 2 years, and the other two of the council members elected at the first general city election shall hold office for 4 years, beginning with the first Monday in January of the year following their election.

(3) The council members elected at the first general city election shall decide by lot, in a manner that they may select, which members shall hold the office of council member the term of which expires 2 years after the election and which members shall hold the office for a term of 4 years."

{*Internal References to 7-3-4214: None.*}

Section 56. Section 7-3-4222, MCA, is amended to read:

"7-3-4222. Adoption of ordinances. (1) Each ordinance or resolution appropriating money, ordering any street or sewer improvement, making or authorizing the making of any contract, or granting any franchise or right to occupy or use the streets,

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highways, bridges, or public places in the city for any purpose must be complete in the form in which it is finally passed and remain on file with the city clerk for public inspection at least 1 week before the final passage or adoption of the ordinance or resolution.

(2) An ordinance passed by the council, except when otherwise required by the general laws of this state or the provisions of this part and except an ordinance for the immediate preservation of the public peace, health, or safety that contains a statement of its urgency and is passed by a two-thirds vote of the council, may not go into effect before 10 days from the time of its final passage. If during the 10-day period a petition signed by electors of the city equal in number to at least 25% of the entire number of persons registered to vote at the last preceding general municipal election, protesting against the passage of the ordinance, is presented to the council, the ordinance is suspended from going into operation and the council shall reconsider the ordinance. If the ordinance is not entirely repealed, the council shall submit the ordinance to the vote of the electors of the city, ~~either at a general election or at a special municipal election held in conjunction with a regular or primary election~~ in an election conducted in accordance with [section 9]. The ordinance may not go into effect or become operative unless a majority of the electors voting on the ordinance vote in favor of its adoption."

{*Internal References to 7-3-4222: None.*}

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Section 57. Section 7-3-4223, MCA, is amended to read:

"7-3-4223. Granting of franchises. A franchise or right to occupy or use the streets, highways, bridges, or public places in a city may not be granted, renewed, or extended except by ordinance. A franchise or grant for interurban or street railways, gasworks or waterworks, electric light or power plants, heating plants, telegraph or telephone systems, or other public service utilities or renewal or extension of the franchise or grant within the city must be authorized or approved by a majority of the electors voting on the issue at ~~a general election or a special election held in conjunction with a regular or primary election as provided in 7-5-4321 and 7-5-4322~~ an election conducted in accordance with [section 9]."

{*Internal References to 7-3-4223: None.*}

Section 58. Section 7-3-4305, MCA, is amended to read:

"7-3-4305. Petition to organize under commission-manager form -- election required. (1) Upon the filing of a petition with the city or town council, signed by not less than 15% of the qualified electors of the municipality registered for the last general municipal election, proposing that the question of reorganization under this part and part 44 be submitted to the qualified electors of the municipality, the city or town council shall order ~~a special~~ an election to be held in ~~conjunction with a regular or primary election~~ accordance with [section 9]. At the election, the question of reorganization of the municipality under the provisions of this part and part 44 must be submitted

to the qualified electors of the municipality.

(2) The order of the city or town council must specify the time when the election will be held."

{*Internal References to 7-3-4305: None.*}

Section 59. Section 7-3-4307, MCA, is amended to read:

"7-3-4307. Form of ballot. At ~~such~~ an election under 7-3-4305, the ballots to be used shall be ~~printed on plain white paper and shall be~~ headed "Special election for the purpose of submitting to the qualified electors of the (city, town) of (name of city or town) under chapter 152 of the acts of the fifteenth legislative assembly" and shall be substantially in the following form:

[] FOR reorganization of the (city, town) of (name of city or town) under chapter 152 of the acts of the fifteenth legislative assembly.

[] AGAINST reorganization of the (city, town) of (name of city or town) under chapter 152 of the acts of the fifteenth legislative assembly."

{*Internal References to 7-3-4307: None.*}

Section 60. Section 7-3-4309, MCA, is amended to read:

"7-3-4309. Effect of vote on question of organization. (1) If ~~such~~ the proposition is adopted, the mayor shall transmit to the governor, to the secretary of state, and to the county clerk and recorder each a certificate stating that ~~such~~ the proposition was adopted.

(2) If ~~such the~~ proposition ~~shall not be adopted at such~~ special election failed, ~~such the~~ proposition shall may not again be submitted to the electors of ~~such municipality~~ within a period of 2 years from the date of the last submission."

{*Internal References to 7-3-4309: None.*}

Section 61. Section 7-3-4310, MCA, is amended to read:

"7-3-4310. ~~Special election~~ Election for municipal officers. (1) If the majority of the votes cast at the election are in favor of reorganization, the city or town council shall hold a meeting within 1 week after the election and order ~~a special~~ an election to be held in ~~conjunction with a regular or primary election~~ accordance with [section 9] for the purpose of electing the number of commissioners to which the municipality is entitled. This order must specify the time of holding the election. ~~The mayor shall issue a proclamation setting forth the purpose for which the special election is held and the day of holding the election. The proclamation must be published for 10 successive days in each daily newspaper published in the municipality if there is a daily newspaper or for 2 successive weeks in each weekly newspaper published in the municipality. A~~ In addition to the notice required under 13-1-108, a copy of the proclamation must ~~also~~ be posted at each voting place within the municipality and in five of the most public places in the municipality.

(2) The election must be ~~conducted, the vote must be canvassed, and the result must be declared in the same manner as~~

~~provided by law for other municipal elections.~~

~~——(3) The provisions of nonpartisan pursuant to 7-3-4341 are to be followed in the special election, except that the date of the election must be in conjunction with a regular or primary election held before the special election."~~

{Internal References to 7-3-4310: None.}

Section 62. Section 7-3-4311, MCA, is amended to read:

"7-3-4311. Procedure for multimunicipality organization.

(1) Whenever the inhabitants of any community or group of communities in any county, whether separately incorporated in whole or in part or unincorporated desire to be organized into or annexed to an incorporated city or town under the provisions of this part and part 44, the board of county commissioners of the county may or upon the presentation of a petition signed by not less than 25% of the qualified electors in the community or group of communities shall issue a proclamation ordering ~~a special election to be held in conjunction with a regular or primary election~~ accordance with [section 9].

(2) At this election, the question of the organization of the community or group of communities as a municipality under the provisions of this part and part 44 must be submitted to the qualified electors within the proposed municipal district. The proclamation must specify the time when and the places where the election will be held and must define the boundaries of the proposed municipal district, which must include all communities, cities, and any additional adjacent territory that, in the

judgment of the board of county commissioners, provides for future urban growth.

(3) If a majority of the legal voters at the election vote in favor of the organization of the municipal district or in favor of annexation to an incorporated city or town, then the board of county commissioners shall declare the result of the election and shall give notice for 30 days in a newspaper published within the proposed municipal district or, if a newspaper is not published in the proposed district, by posting notices in six public places within the limits of the district of the time and place or places of holding the first election for commissioners of the municipal district under this law. At the election, all electors qualified by the general election laws of the state who have resided within the limits of the municipal district for 6 months are qualified electors. The board of county commissioners shall appoint judges and clerks of election and canvass and declare the result of the election. ~~The election must be held in conjunction with a regular or primary election and must be conducted in the manner prescribed by law for the election of county officers.~~ The commissioners elected must qualify in the manner prescribed by law for county officers."

{*Internal References to 7-3-4311: None.*}

Section 63. Section 7-3-4316, MCA, is amended to read:

"7-3-4316. Term of office for commissioners. (1) The commissioners elected at the first election shall qualify and their terms of office shall begin on the first Monday after their

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election. The terms of office of the mayor and city council members in a municipal commission-manager city or town in office at the beginning of the term of office of the commissioners first elected under the provisions of part 44 and this part terminate and the terms of office of all their appointed officers and of all of the employees of the city or town terminate as soon as the commissioners shall by resolution declare.

(2) All commissioners shall serve for a term of 4 years and until their successors are elected and have qualified, except that at the first election the two candidates having the highest number of votes shall hold office for a period of 4 years less the time elapsed since December 31 of the preceding odd-numbered year. The terms of office of all other candidates expire on December 31 in any odd-numbered year following the ~~special~~ election provided for in this part at which the first commissioners are elected."

{*Internal References to 7-3-4316: None.*}

Section 64. Section 7-3-4319, MCA, is amended to read:

"7-3-4319. Designation of mayor. (1) The mayor is that member of the commission who, at the ~~regular~~ municipal election at which the commissioners were elected, received the highest number of votes. In case two candidates receive the same number of votes, one of them must be chosen mayor by the remaining members of the commission.

(2) If a vacancy in the office of the mayor is caused by the expiration of the term of office, the holdover commissioner

having received the highest number of votes is the mayor. If there is a vacancy in the office of the mayor for any other cause, the remaining members of the commission shall choose the mayor's successor for the unexpired term from their own number by lot.

(3) If the commissioner who is acting as mayor is recalled, the remaining members of the commission shall select one of their number to serve as mayor for the unexpired term. If all the commissioners are recalled, the person receiving the highest number of votes at the election held to determine their successors is the mayor."

{*Internal References to 7-3-4319: None.*}

Section 65. Section 7-3-4322, MCA, is amended to read:

"7-3-4322. Meetings of commission. (1) At 10 a.m. on the first Monday after January 1 following a regular general municipal election, the commission shall meet at the usual place for holding the meetings of the legislative body of the municipality, at which time the newly elected commissioners shall assume the duties of their office. Thereafter, the commissioners shall meet at times that may be prescribed by ordinance or resolution, except that in municipalities having less than 5,000 inhabitants, they shall meet regularly at least once and not more than four times per month and in municipalities having more than 5,000 inhabitants, they shall meet not less than once every 2 weeks.

(2) Absence from five consecutive regular meetings vacates

the seat of a member unless the absence is authorized by the commission.

(3) The commissioner acting as mayor, any two members of the commission, or the city manager may call special meetings of the commission with written notice of at least 12 hours to each member of the commission, served personally on each member or left at the member's usual place of residence."

{Internal References to 7-3-4322: None.}

Section 66. Section 7-3-4462, MCA, is amended to read:

"7-3-4462. Office of city judge. (1) In each municipality having a commission-manager form of government, a city judge shall be elected every 4 years in a nonpartisan election held in conjunction with the ~~regularly scheduled~~ general municipal election. The city judge shall hold office for a term of 4 years.

(2) The qualifications to hold the office of city judge shall be set by ordinance by the commission. The ordinance shall be consistent with any rules adopted by the Montana supreme court on city judge qualifications.

(3) If a vacancy occurs in the office of city judge, the commission shall appoint a qualified individual to serve for the remainder of the term."

{Internal References to 7-3-4462: None.}

Section 67. Section 7-5-132, MCA, is amended to read:

"7-5-132. Procedure ~~to exercise right of~~ for initiative or referendum election. (1) The electors of a local government may

~~initiate and, by petition, request an election on whether to enact, repeal, or amend ordinances and require submission of existing ordinances to a vote of the people by petition an ordinance. The form of the petition must be approved by the county election administrator. A petition signed by at least 15% of the local government's electors is sufficient to require an election.~~

(2) (a) If an approved petition containing sufficient signatures is filed prior to the ordinance's effective date or within 60 days after the passage of the ordinance, whichever is later, a petition requesting ~~a referendum on an election on whether to amend or repeal~~ the ordinance delays the ordinance's effective date until the ordinance is ratified by the electors.

(b) ~~A~~ If an approved petition ~~requesting a referendum on an emergency ordinance~~ containing sufficient signatures is filed within 60 days of after the effective date of ~~the~~ an emergency ordinance, ~~suspends~~ the emergency ordinance is suspended until ratified by the electors.

~~(2)(3)~~ (3) The governing body may refer an existing or proposed ~~ordinances~~ ordinance to a vote of the people by resolution.

~~(3)(4)~~ (4) A petition or resolution for ~~initiative or referendum~~ an election must:

(a) embrace only a single comprehensive subject;

(b) set out fully the ordinance sought ~~by petitioners or, in the case of an amendment, set out fully,~~ the ordinance sought to be amended and the proposed amendment, ~~or, in the case of referendum, set out~~ the ordinance sought to be repealed;

(c) be in the form prescribed in Title 13, chapter 27, except as specifically provided in this part; and

~~(d) contain the signatures of 15% of the registered electors of the local government; and~~

~~—(e) contain transition provisions if the measure changes terms of office or forms of government.~~

(5) An election pursuant to this section must be conducted in accordance with [section 9], except that if the petition asks for a special election, specifies an election date that complies with [section 6(4)(b)], and is signed by at least 25% of the qualified electors, a special election shall be held on the date specified in the petition.

(6) If a majority of those voting on the question approve the proposal, it becomes effective when the election results are officially declared unless otherwise stated in the proposal."

{*Internal References to 7-5-132:*

x3-10-101 *	x3-11-101 *	x7-1-4130 *	x7-3-1204 *
x7-5-131 *	x7-5-134	x7-6-1504	16-1-205 * }

Section 68. Section 7-5-4321, MCA, is amended to read:

"7-5-4321. Grant of exclusive franchise -- election required. (1) The council may not grant an exclusive franchise or special privilege to any person except in the manner specified in subsection (2). The powers of the council are only those expressly prescribed by law and those necessarily incident to the law.

(2) An exclusive franchise for any purpose, except contracts for solid waste management systems as defined in

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75-10-103, which may not exceed 10 years, may not be granted by any city or town or by the mayor or city council to any person, association, or corporation without first submitting the application for an exclusive franchise to the electors of the city at ~~a regular or primary~~ an election. The election must be conducted in accordance with 7-5-4322 and [section 9]."

{*Internal References to 7-5-4321:*
x7-3-1225 a7-3-4223 }

Section 69. Section 7-5-4322, MCA, is amended to read:

"7-5-4322. Election on question of granting franchise. (1)
~~Notice of the election must be published as provided in 13-1-108.~~
The notice provided pursuant to 13-1-108 must state the time and place of holding the election, the character of any franchise applied for, and the valuable consideration, if there is any, to be derived by the city.

(2) At the election, the ballots must contain the words "For granting franchise" and "Against granting franchise", and in voting, the elector shall make a cross (X) opposite the answer that the elector intends to vote for. The election must be conducted and canvassed and the return made in the same manner as other city or town elections.

(3) If the majority of the votes cast at the election are "For granting franchise", the mayor and city council shall grant the franchise by the passage and approval of a proper ordinance."

{*Internal References to 7-5-4322:*
x7-3-1225 a7-3-4223 }

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Section 70. Section 7-6-1501, MCA, is amended to read:

"7-6-1501. ~~Resort tax -- definitions~~ Definitions. As used in ~~7-6-1501 through 7-6-1509~~ this part, the following definitions apply:

(1) "Board" means the board of directors of the resort area district.

(2) "Luxuries" means any gift item, luxury item, or other item normally sold to the public or to transient visitors or tourists. The term does not include food purchased unprepared or unserved, medicine, medical supplies and services, appliances, hardware supplies and tools, or any necessities of life.

~~(2)~~(3) "Medical supplies" means items that are sold to be used for curative, prosthetic, or medical maintenance purposes, whether or not prescribed by a physician.

~~(3)~~(4) "Medicine" means substances sold for curative or remedial properties, including both physician prescribed and over-the-counter medications.

(5) "Qualified elector" means a person who is qualified to vote under 13-1-111 and is a resident of a resort community, resort area, or proposed or established resort area district.

~~(4)~~(6) "Resort area" means an area that:

(a) is an unincorporated area and is a defined contiguous geographic area;

(b) has a population of less than 2,500 according to the most recent federal census;

(c) derives the major portion of its economic well-being from businesses catering to the recreational and personal needs

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of persons traveling to or through the area for purposes not related to their income production; and

(d) has been designated by the department of commerce as a resort area prior to its establishment by the county commissioners as provided in 7-6-1508.

(7) "Resort area district" means a district created under 7-6-1531 through 7-6-1550 that has been established as a resort area under 7-6-1508.

~~(5)~~(8) "Resort community" means a community that:

(a) is an incorporated municipality;

(b) has a population of less than 5,500 according to the most recent federal census;

(c) derives the primary portion of its economic well-being related to current employment from businesses catering to the recreational and personal needs of persons traveling to or through the municipality for purposes not related to their income production; and

(d) has been designated by the department of commerce as a resort community."

{*Internal References to 7-6-1501:*

x7-6-1501 * x7-6-1502 * x7-6-1502 * x7-6-1551
x7-6-1551 x7-7-4424 * a16-4-420 }

Section 71. Section 7-6-1502, MCA, is amended to read:

"7-6-1502. Resort community taxing authority -- specific delegation. As required by 7-1-112, 7-6-1501 through 7-6-1507 specifically delegate to the qualified electors of each respective resort community the power to authorize their

municipality to impose a resort tax within the corporate boundary of the municipality as provided in 7-6-1501 through 7-6-1507."

{*Internal References to 7-6-1502:*

x7-6-1501 * x7-6-1502 * x7-6-1502 * x7-7-4424 * }

Section 72. Section 7-6-1504, MCA, is amended to read:

"7-6-1504. Resort tax -- election required -- procedure -- notice. (1) A resort community or area may not impose or, except as provided in 7-6-1505, amend or repeal a resort tax unless the resort tax question has been ~~submitted to the electorate of the resort community or area and~~ approved by a majority of the qualified electors voting on the question.

(2) The resort tax question may be presented to the qualified electors of:

(a) a resort community by a petition of the electors as provided by 7-1-4130, 7-5-132, and 7-5-134 through 7-5-137 or by a resolution of the governing body of the resort community; or

(b) a resort area by a resolution of the board of county commissioners, following receipt of a petition of electors as provided in 7-6-1508.

(3) If a resort area is in more than one county, the resort tax question must be presented to and approved by the qualified electors in the resort area of each county.

(4) The petition or resolution referring the taxing question must state:

(a) the rate of the resort tax;

(b) the duration of the resort tax;

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(c) the date when the tax becomes effective, which date may not be earlier than 35 days after the election; and

(d) the purposes that may be funded by the resort tax revenue.

(5) Upon receipt of an adequate petition, the governing body ~~may:~~

~~—— (a) call a special election on the resort tax question; or~~

~~—— (b) have the resort tax question placed on the ballot at the next regularly scheduled election shall hold an election in accordance with [section 4].~~

(6) ~~(a) Before the resort tax question is submitted to the electorate of a resort community or area, the governing body of the resort community or the board of county commissioners in the county in which the resort area is located shall publish notice of the goods and services subject to the resort tax, in a newspaper that meets the qualifications of subsection (6)(b). The notice must be published twice, with at least 6 days separating publications. The first publication must be no more than 30 days prior to the election and the last no less than 3 days prior to the election. Notice of the election must be accomplished as provided in 13-1-108 and include the information listed in subsection (4).~~

~~(b) The newspaper must be:~~

~~—— (i) of general, paid circulation with a second-class mailing permit;~~

~~—— (ii) published at least once a week; and~~

~~—— (iii) published in the county where the election will take~~

~~place.~~

(7) The question of the imposition of a resort tax may not be placed before the qualified electors more than once in any fiscal year."

{*Internal References to 7-6-1504:*

x7-6-1501 *	x7-6-1502 *	x7-6-1502 *	x7-6-1503
x7-6-1506	x7-6-1508	x7-6-1508	x7-6-1509
x7-6-1541	x7-7-4424 *	}	

Section 73. Section 7-6-1505, MCA, is amended to read:

"7-6-1505. Resort tax administration. (1) In this section, "governing body" means:

(a) the governing body of a resort community;

(b) if the resort tax has been approved by the qualified electors of a resort area, the board of county commissioners; or

(c) if the qualified electors of the resort area establish a resort area district, the district board of directors.

(2) Not less than 30 days prior to the date that the resort tax becomes effective, the governing body shall enact an administrative ordinance governing the collection and reporting of the resort taxes. This administrative ordinance may be amended at any time as may be necessary to effectively administer the resort tax.

(3) The administrative ordinance must specify:

(a) the times that taxes collected by businesses are to be remitted to the governing body;

(b) the office, officer, or employee of the governing body responsible for receiving and accounting for the resort tax

receipts;

(c) the office, officer, or employee of the governing body responsible for enforcing the collection of resort taxes and the methods and procedures to be used in enforcing the collection of resort taxes due; and

(d) the penalties for failure to report taxes due, failure to remit taxes due, and violations of the administrative ordinance. The penalties may include:

(i) criminal penalties not to exceed a fine of \$1,000 or 6 months' imprisonment, or both;

(ii) civil penalties if the governing body prevails in a suit for the collection of resort taxes, not to exceed 50% of the resort taxes found due plus the costs and attorney fees incurred by the governing body in the action;

(iii) revocation of a county or municipal business license held by the offender; and

(iv) any other penalties that may be applicable for violation of an ordinance.

(4) The administrative ordinance may include:

(a) further clarification and specificity in the categories of goods and services that are subject to the resort tax consistent with 7-6-1503;

(b) authorization for business administration and prepayment discounts. The discount authorization may allow each vendor and commercial establishment to:

(i) withhold up to 5% of the resort taxes collected to defray their costs for the administration of the tax collection;

or

(ii) receive a refund of up to 5% of the resort tax payment received from them by the governing body 10 days prior to the collection due date established by the administrative ordinance.

(c) other administrative details necessary for the efficient and effective administration of the tax."

{*Internal References to 7-6-1505:*

x7-6-1501 * x7-6-1502 * x7-6-1502 * x7-6-1504
x7-7-4424 * }

Section 74. Section 7-6-1506, MCA, is amended to read:

"7-6-1506. Use of resort community tax revenue -- bond issue -- pledge. (1) Unless otherwise restricted by the voter-approved tax authorization provided for in 7-6-1504, a resort community or a resort area district ~~as defined in 7-6-1531~~ may appropriate and expend revenue derived from a resort tax for any activity, undertaking, or administrative service that the municipality or resort area district is authorized by law to perform, including costs resulting from the imposition of the tax.

(2) A resort community may issue bonds to provide, install, or construct any of the public facilities, improvements, or undertakings authorized under 7-7-4101, 7-7-4404, and 7-12-4102.

(3) Bonds issued under this section must be authorized by a resolution of the governing body, stating the terms, conditions, and covenants of the municipality or resort area district as the governing body considers appropriate. The bonds may be sold at a discount at a public or private sale.

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(4) A resort community may pledge for repayment of bonds issued under this section the revenue derived from a resort tax, special assessments levied for and revenue collected from the facilities, improvements, or undertakings for which the bonds are issued, and any other source of revenue authorized by the legislature to be imposed or collected by the resort community. The bonds do not constitute debt for purposes of any statutory debt limitation, provided that in the resolution authorizing the issuance of the bonds, the municipality determines that the resort tax revenue, special assessments levied for and revenue from the facilities, improvements, or undertakings, or other sources of revenue, if any, pledged to the payment of the bonds will be sufficient in each year to pay the principal and interest on the bonds when due.

(5) Bonds may not be issued pledging proceeds of the resort tax for repayment unless the municipality in the resolution authorizing issuance of the bonds determines that in any fiscal year the annual revenue expected to be derived from the resort tax, less the amount required to reduce property taxes pursuant to 7-6-1507, equals at least 125% of the average amount of the principal and interest payable from the resort tax revenue on the bonds and any other outstanding bonds payable from the resort tax except any bonds to be refunded upon the issuance of the proposed bonds."

{*Internal References to 7-6-1506:*

x7-6-1501 * x7-6-1502 * x 7-6-1502 * x7-6-1542
x7-7-4424 * }

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Section 75. Section 7-6-1508, MCA, is amended to read:

"7-6-1508. Establishment of a resort area -- taxing authority -- approval by qualified electorate. (1) The establishment of a resort area for the purpose of imposing a resort tax may be initiated by a written petition to the board of county commissioners of the county in which the area is located. The petition must contain a description of the proposed resort area and must be signed by at least 15% of the qualified electors ~~residing in the proposed area.~~

(2) The petition must include a proposal to impose a resort tax within the proposed resort area, including the rate, duration, effective date, and purpose of the tax as provided in 7-6-1504.

(3) Upon receiving a petition to establish a resort area, the board of county commissioners shall present the question to the qualified electors ~~residing in~~ of the proposed resort area as provided in 7-6-1504."

{*Internal References to 7-6-1508:*

x7-6-1501 *	x7-6-1501	x7-6-1504	x7-6-1531
x7-6-1531	x7-6-1533	x7-7-4424 *	x15-65-101 }

Section 76. Section 7-6-1509, MCA, is amended to read:

"7-6-1509. Use of resort area tax. (1) (a) Except as provided in subsection (1)(b) or unless otherwise provided by the resolution approved by the qualified electors under 7-6-1504, the board of county commissioners shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution.

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(b) If the qualified electors of a resort area have established a resort area district, the district board of directors shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution.

(2) If the qualified electors of a resort area have not established a resort area district, the resort area shall reimburse the board of county commissioners for costs associated with the collection, administration, and litigation of the resort area tax."

{*Internal References to 7-6-1509:*
x7-6-1501 x7-7-4424 }

Section 77. Section 7-6-1532, MCA, is amended to read:

"7-6-1532. Resort area district authorized. ~~Electors residing within the boundaries~~ The qualified electors of a resort area may create a resort area district by proceeding under the provisions of ~~7-6-1531~~ 7-6-1533 through 7-6-1550."

{*Internal References to 7-6-1532:*
r7-6-1531 * r7-6-1531 * a7-6-1532 * a7-6-1535 *
a7-6-1536 * r7-6-1537 * r7-6-1538 * a7-6-1541 *
a7-6-1541 * a7-6-1542 * r7-6-1549 * }

Section 78. Section 7-6-1533, MCA, is amended to read:

"7-6-1533. Petition to create resort area district. (1) ~~Electors residing within~~ The qualified electors of a resort area may present, at a regular meeting, a petition requesting the establishment of a resort area district to the board of county commissioners of the county in which the proposed resort area district is located. The petition must be signed by at least 10%

of the ~~registered voters within~~ qualified electors of the resort area.

(2) When the area to be included within the proposed resort area district lies in more than one county, the qualified electors ~~within a resort area~~ shall present a petition to the board of county commissioners in each county. Each petition must contain the signatures of at least 10% of the ~~registered voters of the resort area that lies within~~ qualified electors of that county.

(3) The petition must include a description or map of the existing resort area boundaries. The petition may not describe proposed resort area district boundaries that are different from the existing resort area boundaries designated pursuant to 7-6-1508."

{*Internal References to 7-6-1533:*

<i>a7-6-1531 *</i>	<i>a7-6-1531 *</i>	<i>a7-6-1532 *</i>	<i>a7-6-1534</i>
<i>a7-6-1534</i>	<i>a7-6-1535 *</i>	<i>a7-6-1535</i>	<i>a7-6-1536 *</i>
<i>r7-6-1537 *</i>	<i>r7-6-1538 *</i>	<i>a7-6-1541 *</i>	<i>a7-6-1541 *</i>
<i>a7-6-1542 *</i>	<i>r7-6-1549 *</i>	}	

Section 79. Section 7-6-1535, MCA, is amended to read:

"7-6-1535. Resort area district -- hearing on petition. (1)

At the hearing for which notification has occurred under 7-6-1533, the board of county commissioners shall accept comments supporting and opposing the petition. The board of county commissioners may adjourn the hearing from time to time, but the hearing must be completed within 4 weeks of its commencement.

(2) Upon concluding the hearing on the petition, the board of county commissioners shall determine whether the petition

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complies with the requirements of ~~7-6-1531~~ 7-6-1533 through 7-6-1550 and enter its determination into the minutes of a regularly scheduled meeting."

{*Internal References to 7-6-1535:*

a7-6-1531 *	a7-6-1531 *	a7-6-1532 *	a7-6-1535 *
a7-6-1536 *	r7-6-1537 *	r7-6-1538 *	a7-6-1541 *
a7-6-1541 *	a7-6-1542 *	r7-6-1549 *	}

Section 80. Section 7-6-1536, MCA, is amended to read:

"7-6-1536. Resort area district -- election required -- notice. (1) Upon a determination that the petition complies with the provisions of ~~7-6-1531~~ 7-6-1533 through 7-6-1550, the board of county commissioners of each county in which the resort area lies shall ~~give notice of an election to be held in the proposed resort area district for the purpose of determining whether a resort area district should be created. The election must be held in conjunction with a regular or primary election~~ conduct an election in accordance with [section 4].

(2) Notice of the election must ~~be made as provided in 13-1-108~~ and must:

(a) describe the purpose of the proposed resort area district; and

(b) state the name of the proposed resort area district, which must include the words "resort area district"."

{*Internal References to 7-6-1536:*

a7-6-1531 *	a7-6-1531 *	a7-6-1532 *	a7-6-1535 *
a7-6-1536 *	r7-6-1537 *	r7-6-1538 *	a7-6-1541 *
a7-6-1541 *	a7-6-1542 *	r7-6-1549 *	}

Section 81. Section 7-6-1541, MCA, is amended to read:

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"7-6-1541. General powers of resort area district. (1) A resort area district ~~created under 7-6-1531 through 7-6-1550~~ may:

- (a) have perpetual succession;
- (b) sue and be sued in any court of competent jurisdiction;
- (c) acquire by any legal means real and personal property

necessary to the full exercise of its powers;

(d) make contracts, employ labor, and do all acts necessary for the full exercise of its powers; and

(e) issue and repay bonds as provided in 7-6-1542.

(2) (a) ~~The~~ Subject to subsection (2)(b), the board for a resort area district that does not have perpetual succession may submit the question of extension of the term of the resort area district directly to the ~~voters~~ qualified electors in an election conducted in accordance with [section 4]. If the electorate extends the term of the resort area district, the provisions of this part continue to apply.

(b) The board may not submit a question to the ~~voters~~ qualified electors to extend the term of a resort area district until the expiration of at least half the existing term of the resort tax, as provided for in 7-6-1504. If a vote to extend the term fails, successive votes to extend the term may be taken no more than once each year.

(3) The board shall exercise the powers described in ~~7-6-1531~~ 7-6-1533 through 7-6-1550."

{*Internal References to 7-6-1541:*

a7-6-1531 *	a7-6-1531 *	a7-6-1532 *	a7-6-1535 *
a7-6-1536 *	r7-6-1537 *	r7-6-1538 *	a7-6-1541 *
a7-6-1541 *	a7-6-1542 *	r7-6-1549 *	}

Section 82. Section 7-6-1542, MCA, is amended to read:

"7-6-1542. Resort area district board powers related to administration and expenditure of resort tax revenue -- authorization to issue bonds -- election -- restrictions. (1) The board of a resort area district ~~created under 7-6-1531 through 7-6-1550~~ may:

(a) appropriate and expend revenue from a resort tax for any activity, undertaking, or administrative service authorized in the resolution creating a resort area and adopting a resort tax;

(b) adopt administrative ordinances necessary to aid in the collection or reporting of resort taxes and in the expenditure of resort tax revenue; and

(c) except as provided in subsection (2), if approved by four of the five board members, issue bonds to provide, install, or construct any of the public facilities, improvements, or capital projects authorized as provided in subsection (1)(a) and pledge for repayment of the bonds the revenue derived from the resort tax.

(2) A resort area district may not issue bonds to construct any single-purpose public facility, improvement, or capital project in an amount exceeding \$500,000 without the approval of a majority of the qualified electors ~~residing within the boundaries of the resort area district voting at a special election at a time to be determined by the board. For the purpose of this subsection, the board may authorize a special election by~~

~~majority vote~~ voting at an election conducted as provided in [section 4].

(3) The provisions of 7-6-1506(3) apply to the issuance of bonds by a resort area district, and the board shall conclude that the projected useful life of the public facilities, improvements, or capital projects will be greater than the term of the bonds that were issued to construct the public facilities, improvements, or capital projects.

(4) Resort tax revenue that is pledged by a resort area district to the repayment of bonds must be sufficient to pay the principal and interest on the bonds in each year when the principal and interest is due. Bonds do not constitute debt for the purpose of any statutory debt limitation. A resort area district may not issue bonds pledging proceeds of the resort tax for repayment unless the board in the resolution authorizing issuance of the bonds determines that the annual principal and interest payment on the bonds issued will not cumulatively exceed 25% of the average of resort tax revenue received by the district during the preceding 5 years. Bonds may not be issued for a term longer than the remaining duration of the resort area district."

{*Internal References to 7-6-1542:*

<i>r7-6-1531 *</i>	<i>r7-6-1531 *</i>	<i>a7-6-1532 *</i>	<i>a7-6-1535 *</i>
<i>a7-6-1536 *</i>	<i>r7-6-1537 *</i>	<i>r7-6-1538 *</i>	<i>a7-6-1541 *</i>
<i>a7-6-1541</i>	<i>a7-6-1541 *</i>	<i>a7-6-1542 *</i>	<i>r7-6-1549 *</i> }

Section 83. Section 7-6-1543, MCA, is amended to read:

"7-6-1543. Resort area district to be governed by board -- composition -- qualifications -- term of office. (1) The board is

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the governing body of the resort area district and is composed of five members, to be elected as provided in 7-6-1544.

(2) To qualify ~~for~~ as a member of the board of directors, a person must be a resident of the resort area district.

(3) Directors shall serve for a term of 4 years from the date of their election, except, of the directors elected at the first regular election, three directors shall serve for a term of 2 years and two shall serve for a term of 4 years.

(4) At the first meeting of the board, the directors shall determine by lot which of them shall serve the terms less than 4 years. Each succeeding term is 4 years."

{*Internal References to 7-6-1543:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541 *	7-6-1542 *	7-6-1549 *	7-6-1551 * }

Section 84. Section 7-6-1544, MCA, is amended to read:

"7-6-1544. Resort area district board -- election -- term.

(1) The first election of the board of directors, and each succeeding election must be held ~~at the next regular, primary, or school election immediately succeeding the creation of the resort area district~~ in accordance with [section 4]. ~~Each succeeding election must be held every 2 years to coincide with the election for local government officials as provided in 13-1-104(2).~~

(2) A petition of nomination, signed by at least five electors from within the resort area district, may be filed with the election administrator in any county containing a portion of the resort area district. A nominating petition must be filed

~~between 135 days and 75 days before the election within the time period specified in [section 2].~~

(3) (a) If the number of candidates filing a petition is insufficient to complete board membership, the existing board shall appoint as many members as are needed to complete the five-member board.

(b) An appointee to the board must be elected by a majority of those voting at ~~the~~ an election conducted ~~under 13-1-104~~ immediately following the appointment the next year on the day established pursuant to [section 4(1)(b)]. If an appointee does not receive a majority of votes cast in the election, the appointee's term expires, and the board shall initiate the process described in this subsection (3).

~~(c) The term of a resort area district board member appointed and subsequently elected under the provisions of this subsection (3) is 4 years."~~

{Internal References to 7-6-1544:

r7-6-1531 *	r7-6-1531 *	a7-6-1532 *	a7-6-1535 *
a7-6-1536 *	r7-6-1537 *	r7-6-1538 *	a7-6-1541 *
a7-6-1541 *	a7-6-1542 *	a7-6-1543	r7-6-1549 *
a7-6-1551 *	}		

Section 85. Section 7-6-1546, MCA, is amended to read:

"7-6-1546. Resort area district board -- vacancy. (1) If a vacancy on the board occurs by death, resignation, or removal from the resort area district, the remaining directors shall appoint a director to fill the vacancy. The term of the appointment coincides with the term that became vacant.

(2) An appointee to the board must be elected by a majority

of those voting at the election conducted ~~under 13-1-104~~ in accordance with [section 4] immediately following the appointment. If an appointee does not receive a majority of the votes cast in the election, the appointee's term expires and the board shall initiate the process to fill the vacancy as provided in subsection (1)."

{*Internal References to 7-6-1546:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541 *	7-6-1542 *	7-6-1549 *	7-6-1551 }

Section 86. Section 7-6-1548, MCA, is amended to read:

"7-6-1548. Referendum to dissolve resort area district. (1)

Upon receipt of a petition to dissolve the resort area district, signed by more than 50% of the qualified electors of the resort area district, the board shall set a date for a public hearing on dissolution of the resort area district. The hearing date may not be fewer than 45 days or more than 60 days after the date on which the board schedules the date of the hearing. A notice of the public hearing on dissolution must be published as provided in 7-1-2121. The published notice must include notice to creditors of the resort area district to present claims owed by the resort area district to the board prior to the date set for the dissolution hearing.

(2) After the hearing, the board shall submit the question of the resort area district's dissolution to a vote of the qualified electors voting in an election conducted on the election day established pursuant to [section 4(1)(a)]."

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{*Internal References to 7-6-1548:*

<i>r7-6-1531 *</i>	<i>r7-6-1531 *</i>	<i>a7-6-1532 *</i>	<i>a7-6-1535 *</i>
<i>a7-6-1536 *</i>	<i>r7-6-1537 *</i>	<i>r7-6-1538 *</i>	<i>a7-6-1541 *</i>
<i>a7-6-1541 *</i>	<i>a7-6-1542 *</i>	<i>r7-6-1549 *</i>	}

Section 87. Section 7-6-1551, MCA, is amended to read:

"7-6-1551. Annexation of property into resort area district

-- election. (1) Property may be annexed into a resort area district as provided in this section.

(2) The resort area district board may recommend that property contiguous to an existing resort area district be annexed into the resort area district.

(3) If the board recommends annexation, the board shall submit its recommendation to the board of county commissioners, along with a description or map of the existing district and a description or map of the area proposed to be annexed.

(4) (a) Upon receipt of the resort area district board's recommendation, the board of county commissioners shall submit the description or map of the existing district and the description or map of the area proposed to be annexed into the resort area district to the department of commerce, along with a review fee of \$250 and any other information required by the department as necessary to determine whether the existing district with the proposed annexation qualifies as a resort area under 7-6-1501.

(b) The department of commerce shall determine whether the existing district with the proposed annexation qualifies as a resort area under 7-6-1501 and shall notify the board of county

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commissioners of its determination. If the existing district with the proposed annexation does not qualify as a resort area, the board of county commissioners may take no further action on the proposed annexation for a period of at least 1 year. If the existing district with the proposed annexation does qualify as a resort area, the board of county commissioners shall give notice of an election to be held in the area proposed to be annexed.

(5) The board of county commissioners shall give notice of the election to be held in the area proposed to be annexed. The election must be held ~~in conjunction with a regular or primary election and must be conducted as provided in 7-6-1537~~ on the day established pursuant to [section 4(1)(a)].

(6) ~~A person is not entitled to vote at an election on the proposed annexation unless the person possesses all of the qualifications required of electors under the general election laws of this state and is a resident of the area proposed to be annexed.~~

~~—~~(7) If a majority of the votes cast by qualified electors on the question of annexation of the property into the resort area district are in favor of the annexation, the board of county commissioners shall enter into its minutes an order, by resolution, annexing the property into the district and shall cause to be created a map of the district that includes the annexed area. Immediately following the adoption of the resolution, the board of county commissioners shall file with the secretary of state and the county clerk and recorder a copy of the resolution and the map.

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~~(8)~~(7) The secretary of state shall issue a certificate of incorporation as provided in 7-6-1540.

~~(9)~~(8) The resort area district board that governed the district before annexation shall continue to operate, and the members shall continue to serve the members' terms. Upon occurrence of a vacancy or the expiration of a member's term, residents of the area that has been annexed are eligible for election or appointment to the board under the provisions of 7-6-1543 through 7-6-1546.

~~(10)~~(9) If the area proposed to be annexed includes property in more than one county, the boards of county commissioners of each county shall comply with the provisions of this section."

{*Internal References to 7-6-1551: None.*}

Section 88. Section 7-7-2223, MCA, is amended to read:

"7-7-2223. Election required for issuance of certain bonds.

(1) County bonds for any purpose other than those enumerated in 7-7-2221 and 7-7-2311 may not be issued unless authorized by registered electors of the county voting at a special an election that is conducted by mail ballot, as provided in Title 13, chapter 19, at a special election held in conjunction with a regular or primary election, or at a general election at which the question of issuing the bonds is submitted to the registered electors of the county and approved as provided in 7-7-2237 held in accordance with [section 9].

(2) A bond election may not be called unless the board of county commissioners:

(a) initiates and unanimously adopts a resolution in accordance with the provisions of 7-7-2227(2); or

(b) receives a petition, delivered and certified by the election administrator, asking that the election be held and the question be submitted. The petition must be signed by at least 20% of the registered electors of the county."

{Internal References to 7-7-2223:

a7-7-2227 r7-7-2228 }

Section 89. Section 7-7-2227, MCA, is amended to read:

"7-7-2227. Examination of petition -- resolution calling for election. (1) Upon delivery of the certified petition, the board shall carefully examine the petition and make any other investigation that it may consider necessary. If it is found that the petition is in proper form, bears the requisite number of signers of qualified petitioners, and is in all other respects sufficient, the board shall pass and adopt a resolution that contains the provisions of subsection (2) plus the essential facts in regard to the petition and its filing and presentation.

(2) The resolution must:

(a) recite the purpose or purposes for which the bonds are proposed to be issued;

(b) fix the exact amount of bonds proposed to be issued for each purpose, which amount may be less than but must not exceed the amount set forth in the petition;

(c) determine the number of years through which the bonds are to be paid, not exceeding the limitations fixed in 7-7-2206;

and

(d) make provision for having the question submitted to the registered electors of the county ~~at the next general election or at a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or that is held in conjunction with a regular or primary election and that the board may call for that purpose~~ as required in 7-7-2223.

~~(3) Whenever a board of county commissioners initiates a resolution in accordance with the provisions of 7-7-2223, the resolution must contain the provisions of subsection (2)."~~

{*Internal References to 7-7-2227:*
a7-7-2223 }

Section 90. Section 7-7-2229, MCA, is amended to read:

"7-7-2229. Notice of election. (1) ~~Whether the election is held at the general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election, separate notice of the election must be given~~ Notice of a bond election must be accomplished in accordance with 13-1-108.

(2) (a) The notice must state:

(i) the date when the election will be held;

(ii) the amount of bonds proposed to be issued;

(iii) the purpose of the issue;

(iv) the term of years through which the bonds are to be paid; and

(v) other information regarding the holding of the election

and the bonds proposed to be issued that the board may consider proper.

(b) If bonds are to be issued for two or more purposes, each purpose and the amount for each purpose must be separately stated.

~~(3) The notice must be published as provided in 13-1-108."~~

{Internal References to 7-7-2229: None.}

Section 91. Section 7-7-2237, MCA, is amended to read:

"7-7-2237. Percentage of electors required to authorize bond issue. Whenever the question of issuing county bonds for any purpose is submitted to the registered electors of a county ~~at a general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election,~~ the determination of the approval or rejection of the bond proposition is made in the following manner:

(1) determine the total number of electors who were qualified to vote in the bond election;

(2) determine the total number of qualified electors who voted in the bond election from the tally sheet or sheets for the election;

(3) calculate the percentage of qualified electors voting at the bond election by dividing the number determined in subsection (2) by the number determined in subsection (1); and

(4) when the calculated percentage in subsection (3) is 40% or more, the bond proposition is considered approved and adopted

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if a majority of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(5) when the calculated percentage in subsection (3) is more than 30% but less than 40%, the bond proposition is considered approved and adopted if 60% or more of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(6) when the calculated percentage in subsection (3) is 30% or less, the bond proposition is considered rejected."

{*Internal References to 7-7-2237:*
a7-7-2223 x7-7-2238 }

Section 92. Section 7-7-2404, MCA, is amended to read:

"7-7-2404. Notice of election. Notice of the election ~~clearly stating~~ must clearly state the amount to be raised and the object of the loan, and must be given ~~in all respects in the manner prescribed by law in regard to the submission of questions to the electors of a locality under the general election law in accordance with 13-1-108.~~"

{*Internal References to 7-7-2404: None.*}

Section 93. Section 7-7-2405, MCA, is amended to read:

"7-7-2405. Form of ballots. ~~There must be written or printed on the ballots the~~ The words "For the loan" and "Against the loan", ~~and in voting, the elector shall vote for the proposition that the elector prefers by making an X opposite the proposition~~ must appear on the election ballot."

{Internal References to 7-7-2405: None.}

Section 94. Section 7-7-2406, MCA, is amended to read:

"7-7-2406. Conduct of election and canvass of results. The election must be held ~~and conducted and the returns must be made in all respects in the manner prescribed by law in regard to the submission of questions to the electors of a locality under the general election law~~ in accordance with [section 9]."

{Internal References to 7-7-2406: None.}

Section 95. Section 7-7-4226, MCA, is amended to read:

"7-7-4226. Resolution to submit question of issuing bonds to voters. (1) When the governing body of any municipality considers it necessary to issue bonds pledging the general credit of the municipality pursuant to a statute of this state, the governing body shall pass and adopt a resolution.

(2) The resolution must:

(a) recite the purpose or purposes for which it is proposed to issue the bonds;

(b) fix the amount of bonds to be issued for each purpose;

(c) determine the number of years through which the bonds are to be paid, not exceeding the limits fixed in 7-7-4205; and

(d) unless the bonds are revenue bonds not pledging the general credit of the municipality, make provisions that are necessary for submitting the question to the registered electors of the city or town at ~~the next general city or town election, at an election that is conducted by mail ballot, as provided in~~

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~~Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election and that the governing body may call for the purpose~~ an election conducted in accordance with [section 9].

(3) Whenever the bond issuance is proposed by petition, the governing body shall, before submitting the measure to the electors, pass a resolution containing the information required in this section and setting forth the essential facts in regard to the filing and presentation of the petition."

{*Internal References to 7-7-4226: None.*}

Section 96. Section 7-7-4227, MCA, is amended to read:

"7-7-4227. Notice of election. (1) ~~Whether the election is held at the general city or town election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election, separate notice of the election must be given~~ Notice of the election must be provided in accordance with 13-1-108.

(2) (a) The notice must state:

(i) the date when the election will be held;

(ii) the amount of bonds proposed to be issued;

(iii) the purpose of the bonds;

(iv) the term of years through which the bonds will be paid;

and

(v) other information regarding the election and the proposed bonds that the board may consider proper.

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(b) If the bonds that are proposed to be issued are for two or more purposes, each purpose and the amount for each purpose must be separately stated.

~~(3) The notice must be published as provided in 13-1-108 and may be posted in each voting precinct in the city or town at least 10 days prior to the date for holding the election."~~

{*Internal References to 7-7-4227: None.*}

Section 97. Section 7-7-4235, MCA, is amended to read:

"7-7-4235. Percentage of electors required to authorize issuing of bonds. Whenever the question of issuing bonds for any purpose is submitted to the registered electors of a city or town ~~at a general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election,~~ the determination of the approval or rejection of the bond proposition is made by a majority of the votes cast on the issue."

{*Internal References to 7-7-4235:
x7-7-4236* }

Section 98. Section 7-7-4426, MCA, is amended to read:

"7-7-4426. Authorization for undertaking and issuance of bonds. (1) The acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking may be authorized under this part.

(2) Bonds may be authorized to be issued under this part by

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resolution or resolutions of the governing body of the municipality:

(a) without an election; or

(b) when authorized by a majority of the qualified electors voting upon the question at ~~a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or that is held in conjunction with a regular or primary election, if the governing body in its sole discretion chooses to submit the question to the electorate~~ an election conducted in accordance with [section 9]."

{*Internal References to 7-7-4426:*
x76-15-506 }

Section 99. Section 7-8-4201, MCA, is amended to read:

"7-8-4201. Disposal or lease of municipal property -- election. (1) Subject to the provisions of subsection (2), the city or town council may sell, dispose of, donate, or lease any property belonging to the city or town.

(2) (a) Except for property described in subsection (3), the lease, donation, or transfer must be made by an ordinance or resolution passed by a two-thirds vote of all the members of the council.

(b) Except for property acquired by tax deed or property described in subsection (3), if the property is held in trust for a specific purpose, the sale or lease must be approved by a majority vote of the electors of the municipality voting at an election called for that purpose. The election must be held in

~~conjunction with a regular or primary election~~ in accordance with [section 9].

(3) If a city or town owns property containing a historically significant building or monument, the city or town may sell or give the property to nonprofit organizations or groups that agree to restore or preserve the property. The contract for the transfer of the property must contain a provision that:

(a) requires the property to be preserved in its present or restored state upon any subsequent transfer; and

(b) provides for the reversion of the property to the city or town for noncompliance with conditions attached to the transfer.

(4) This section may not be construed to abrogate the power of the board of park commissioners to lease all lands owned by the city that were acquired for parks within the limitations prescribed by 7-16-4223.

(5) A city or town may donate land or sell the land at a reduced price to a corporation for the purpose of constructing:

(a) a multifamily housing development operated by the corporation for low-income housing;

(b) single-family houses. Upon completion of a house, the corporation shall sell the property to a low-income person who meets the eligibility requirements of the corporation. Once the sale is completed, the property becomes subject to taxation.

(c) improvements to real property or modifying, altering, or repairing improvements to real property that will enable the

corporation, subject to the restrictions of Article X, section 6, of the Montana constitution, to pursue purposes specified in the articles of incorporation of the corporation, including the sale, lease, rental, or other use of the donated land and improvements.

(6) Land that is transferred pursuant to subsection (5) must be used to permanently provide low-income housing. The transfer of the property may contain a reversionary clause to reflect this condition."

{*Internal References to 7-8-4201: None.*}

Section 100. Section 7-10-101, MCA, is amended to read:

"7-10-101. Regional resource authorities -- purpose -- definition. (1) ~~Electors residing within the boundaries of a proposed regional resource authority~~ Qualified electors may create or expand an authority by proceeding under the provisions of this chapter.

(2) Regional resource authorities may be created to provide for collaboration and coordination in the conservation of water resources or in the management of water resources for agricultural and recreational uses.

(3) For the purposes of this chapter, a "qualified elector" is a person who is qualified to vote under 13-1-111 and resides within the boundaries of a proposed or established regional resource authority."

{*Internal References to 7-10-101: None.*}

Section 101. Section 7-10-102, MCA, is amended to read:

"7-10-102. ~~Authorization~~ Petition to create or expand regional resource authorities. (1) A petition requesting the establishment or expansion of a regional resource authority must be signed by at least 10% of the ~~registered~~ qualified electors ~~within the boundaries~~ of the territory proposed to be organized into the authority or expansion and must be presented to the board of county commissioners of the county in which the proposed authority or expansion is located.

(2) When the area to be included within the proposed authority or expansion lies in more than one county, the qualified electors within of the proposed area shall present a petition to the board of county commissioners in each county. Each petition must contain the signatures of at least 10% of the ~~registered~~ qualified electors ~~within the boundaries~~ of the proposed authority or expansion that lies within that county.

(3) The petition must include:

(a) a legal description or map of the proposed authority or expansion boundaries. Boundaries must coincide with the boundaries of political subdivisions of the state to the greatest extent possible and may exclude incorporated cities or towns.

(b) the proposed name of the authority;

(c) a statement that there is a need in the interest of the public health, safety, and welfare for an authority to function or expand in the territory described in the petition;

(d) a request that ~~a referendum~~ an election be held in the territories included within the proposed boundaries on the question of creating or expanding the authority; and

(e) the structure of the governing body for the authority as provided in 7-10-110.

(4) Land, water, projects, as defined in 7-10-201, or other resources within the exterior boundaries of an Indian reservation may not be included within the boundaries of a regional resource authority without the consent of the governing body of the tribe of the Indian reservation."

{*Internal References to 7-10-102:*
x7-10-103 x7-10-103 x7-10-104 }

Section 102. Section 7-10-104, MCA, is amended to read:

"7-10-104. Regional resource authority or expansion -- election required -- notice. (1) Upon a determination that the petition complies with the provisions of 7-10-102, the board of county commissioners of each county in which the proposed regional resource authority or expansion lies shall give notice of an election to be held within the boundaries of the proposed authority or expansion for the purpose of determining whether a regional resource authority should be created or expanded. The election must be held ~~in conjunction with a regular or election~~ in accordance with [section 4].

(2) Notice of the election must be made as provided in 13-1-108 and must:

(a) describe the purpose of the proposed authority or expansion; and

(b) state the name of the proposed authority.

~~(3) The election on the question of creating or expanding a~~

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~~regional resource authority must be conducted as provided by Title 13 with respect to general and school elections.~~

~~—— (4) If the proposed authority or expansion lies in more than one county, the board of county commissioners whose county contains the largest percentage of the territory of the proposed authority or expansion shall administer the election and canvass the returns."~~

{*Internal References to 7-10-104:*
7-10-110 }

Section 103. Section 7-10-110, MCA, is amended to read:

"7-10-110. Governing body of regional resource authority -- initial appointment -- subsequent election. (1) The initial members of the local governing body must be appointed by the county commissioners in the county ~~where the election is administered~~ pursuant to 7-10-104(4), based on the recommendations of the petitioners.

(2) The commissioners shall appoint members of the governing body to staggered 2-year and 4-year terms.

(3) The appointments under subsection (1) must be made within 30 days after the adoption of the resolution for creation provided for in 7-10-105.

(4) Prior to the expiration of the initial appointments, the governing body shall divide itself into districts from which subsequent board members are elected to succeeding terms.

(5) The election of board members must be conducted in accordance with [section 4]."

{*Internal References to 7-10-110:*
x7-10-102 }

Section 104. Section 7-11-1011, MCA, is amended to read:

"7-11-1011. Referendum -- conduct of election on creating special district. (1) The governing body may order a referendum on the creation of the proposed special district ~~to be submitted to the registered voters who reside within the proposed special district and the individuals qualified to vote pursuant to subsections (5) and (6).~~

(2) The resolution ordering the referendum must state:

(a) the type and maximum rate of the initial proposed assessments or fees that would be imposed, consistent with the requirements of 7-11-1007(2)(e) and 7-11-1024;

(b) the type of activities proposed to be financed, including a general description of the program or improvements;

(c) a description of the areas included in the proposed special district; and

(d) whether the proposed special district would be administered by the governing body or an appointed or elected board.

(3) ~~The referendum must be held in conjunction with a regular or primary election or must be conducted by mail ballot election as provided in Title 13, chapter 19~~ election must be conducted in accordance with [section 4].

(4) The proposition to be submitted to the electorate must read: "Shall the proposition to organize (name of proposed

special district) be adopted?"

~~(5) Except as provided in subsection (6), an An individual is entitled to vote on the proposition if the individual:~~

~~(a) meets all qualifications required of electors under the general election laws is a registered elector of the state; and~~

~~(b) is a resident of or owner of taxable real property in the area subject to the proposed special district.~~

~~(6) An individual who is the owner of real property described in subsection (5)(b) need not possess the qualifications required of an elector in subsection (5)(a) if the individual is qualified to vote in any county of the state and files proof of registration with the election administrator at least 20 days prior to the referendum in which the individual intends to vote.~~

~~(7) The referendum must be conducted, the vote canvassed, and the result declared in the same manner as provided by Title 13 in respect to general elections, so far as it is applicable, except as provided in subsection (3).~~

~~——(8) If the referendum proposition is approved, the election administrator of each county shall:~~

~~(a) immediately file with the secretary of state a certificate stating that the proposition was adopted;~~

~~(b) record the certificate in the office of the clerk and recorder of the county or counties in which the special district is situated; and~~

~~(c) notify any municipalities lying within the boundaries of the special district."~~

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{*Internal References to 7-11-1011:*

x7-11-1003 x7-11-1003 x7-11-1008 a7-11-1012
x7-11-1013 x7-11-1013 x7-11-1023 * }

Section 105. Section 7-11-1012, MCA, is amended to read:

"7-11-1012. Certificate of establishment. (1) Upon receipt of the certificate referred to in 7-11-1011~~(8)~~(6), the secretary of state shall, within 10 days, issue a certificate reciting that the specified district has been established according to the laws of the state of Montana. A copy of the certificate must be transmitted to and filed with the clerk and recorder of the county or counties in which the district is situated.

(2) When the certificate is issued by the secretary of state, the district named in the certificate is established with all the rights, privileges, and powers set forth in 7-11-1021."

{*Internal References to 7-11-1012:*

x7-11-1013 x7-11-1023 * }

Section 106. Section 7-12-4243, MCA, is amended to read:

"7-12-4243. Procedure to create and maintain supplemental revolving fund -- election required -- qualified electors defined. (1) (a) A supplemental revolving fund may be created by ordinance, subject to the approval of a majority of the qualified electors ~~voting upon the question at a general election or a special election held in conjunction with a regular or primary election~~ at an election held in accordance with [section 9].

(b) As used in 7-12-4241 through 7-12-4258, "qualified electors" means registered electors of the municipality.

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(2) The supplemental revolving fund must be created and maintained solely from the net revenue of parking meters. The ordinance may pledge to the revolving fund all or any part of the net revenue of parking meters owned, leased, rented, or acquired by the city or town. The ordinance must contain any provisions concerning the purchase, control, operation, repair, and maintenance of parking meters, including rates to be charged, and the application of the net revenue from the meters and the management and use of the supplemental revolving fund that the council considers necessary."

{*Internal References to 7-12-4243:*

x7-12-4241 *	x7-12-4242 *	x7-12-4243 *	x7-12-4244 *
x7-12-4245 *	x7-12-4247 *	x7-12-4247 *	x7-12-4248 *
x7-12-4248 *	x7-12-4250 *	x7-12-4251 *	x7-12-4252 *
x7-12-4256 *	}		

Section 107. Section 7-13-2201, MCA, is amended to read:

"7-13-2201. Definitions. ~~(1) The word "board" and the words "boards of directors" apply to~~ Unless the context clearly requires otherwise, as used in this part and part 23, the following definitions apply:

(1) "Board" or "board of directors" means the board of directors of the district elected or appointed as provided in 7-13-2221.

(2) ~~The term "county"~~ "County" means one or more counties and includes a city and within the county or counties.

(3) ~~The word "district", unless otherwise expressed or used, applies to~~ "District" means a district formed under the provisions of this part and part 23. A district is a unit of

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local government separate and distinct from a municipality, but a district may be treated as a municipality when applying for a grant, a loan, or other financial assistance from the state.

(4) ~~The term "municipality", as used in this part and part 23, includes~~ "Municipality" means a municipality or a consolidated city and county, city, or town and includes all corporations organized for municipal purposes within the districts a district.

(5) "Qualified elector" means a person who meets the criteria under 7-13-2212."

{*Internal References to 7-13-2201: None.*}

Section 108. Section 7-13-2204, MCA, is amended to read:

"7-13-2204. Petition to create water and/or sewer district.

(1) A petition, which may consist of any number of separate instruments, must be presented at a regular meeting of the board of county commissioners of the county in which the proposed district is located, signed by either at least 10% of the ~~registered voters~~ qualified electors of the territory included in the proposed district ~~or by the owners of all of the real property in the district.~~

(2) When the territory to be included in the proposed district lies in more than one county, a petition must be presented to the board of county commissioners of each county in which the territory lies. Each of the petitions must be signed by at least 10% of the ~~registered voters of the territory within the county to be included within~~ qualified electors of the proposed

~~district or by the owners of all of the real property included in the proposed district.~~

(3) A petition to create a water and/or sewer district must set forth and describe the proposed boundaries of the district and require that the district be incorporated under the provisions of part 23 and this part."

{*Internal References to 7-13-2204:*
x7-13-2205 x75-5-601 }

Section 109. Section 7-13-2208, MCA, is amended to read:

"7-13-2208. Decision on petition -- election required -- exception. (1) On the final hearing provided for in 7-13-2206, the board of county commissioners shall make any changes in the proposed boundaries within the county that are considered advisable and shall define and establish the boundaries. The board of county commissioners may not modify the boundaries in a manner that would exclude from the proposed district any territory that would benefit from the formation of the district. Land that will not, in the judgment of the board of county commissioners, benefit from the district may not be included within the proposed district.

(2) Upon the final determination of the boundaries of the district, the board of county commissioners of each county in which the district lies shall ~~give notice of an election to be held in the proposed district~~ hold an election for the purpose of determining whether the district is to be incorporated, except as provided in subsection (3). The election must be ~~held in~~

~~conjunction with a regular or primary election or must be conducted by mail ballot election as provided in Title 13, chapter 19~~ conducted in accordance with [section 4].

(3) An election is not required if the petition for the creation of the district is signed by the owners of all of the real property in the proposed district. If an election is not held, upon the final determination of the boundaries of the district, the board of county commissioners of each county in which the district lies shall, by an order entered on its minutes, declare the territory enclosed within the proposed boundaries as an organized county water and/or sewer district. The county clerk and recorder shall forward a certified copy of the order to the secretary of state."

{*Internal References to 7-13-2208:*
a7-13-2210 x7-13-2215 x75-5-601 * }

Section 110. Section 7-13-2210, MCA, is amended to read:

"7-13-2210. Notice of election. ~~(1) The notice~~ Notice of an election required by 7-13-2208 on whether a district should be incorporated shall be accomplished as provided in 13-1-108 and shall describe include a description of the boundaries established and shall state the proposed name of the proposed incorporation (which district. The name shall contain the words ".... County water and/or sewer district").

~~(2) This notice shall be published as provided in 13-1-108."~~

{*Internal References to 7-13-2210:*
x75-5-601 * }

Section 111. Section 7-13-2211, MCA, is amended to read:

"7-13-2211. ~~Conduct of election on Ballot question of for creating district.~~ ~~(1) The election on the question of creating the district shall be conducted, the vote canvassed, and the result declared in the same manner as provided by Title 13 in respect to general elections, so far as it is applicable, except as otherwise provided in this part and part 23.~~

~~(2) At the election the proposition to be submitted shall be: "Shall the proposition to organize County water and/or sewer district under parts 22 and 23 of chapter 13 of Title 7 be adopted?" "~~

{*Internal References to 7-13-2211:*
x75-5-601 * }

Section 112. Section 7-13-2212, MCA, is amended to read:

"7-13-2212. ~~Qualifications to vote on question of creating district.~~ ~~(1) Except as provided in subsection (2), an An individual is ~~not~~ entitled to vote at any election under the provisions of part 23 and this part ~~unless~~ if the individual ~~possesses all the qualifications required of electors under the general election laws of the state and is~~ registered to vote in Montana and is:~~

~~(a) a resident of the proposed district; or~~

~~(b) the owner of taxable real property located within the county in which the individual proposes to vote and situated within the boundaries of the proposed district.~~

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(2) ~~An individual who is the owner of the real property described in subsection (1) need not possess the qualifications required of an elector in 13-1-111(1)(c), provided that the elector is qualified if registered to vote in any state of the United States and files proof of registration with the election administrator at least 40 days prior to the election in which the individual intends to vote~~ If a corporation is the owner of real property within the district, the president, vice-president, or secretary of the corporation may vote on behalf of the corporation."

{*Internal References to 7-13-2212:*
a7-13-2273 a7-13-2328 x75-5-601 * }

Section 113. Section 7-13-2214, MCA, is amended to read:

"7-13-2214. Order creating district upon sufficient favorable vote. (1) ~~If at least 40% of all registered voters residing within the proposed district have voted and if a majority of the votes cast at such election in each municipal corporation or part thereof and in the unincorporated territory of each county included in such proposed district shall be in favor of organizing such county district, said~~ qualified electors vote in favor of creating a district, the board of county commissioners of each such county shall, by an order entered on its minutes, declare the territory enclosed within the proposed boundaries duly organized as a county water and/or sewer district under the name ~~theretofore~~ designated.

(2) The election administrator of each such county in which

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the district lies shall immediately ~~cause to be filed~~ file with the secretary of state and ~~shall cause to be recorded~~ in the office of the clerk and recorder of the county ~~or each county in which such district is situated~~ a certificate stating that ~~such a~~ the proposition was adopted."

{*Internal References to 7-13-2214:*
x7-13-2215 x75-5-601 }

Section 114. Section 7-13-2217, MCA, is amended to read:

"7-13-2217. General powers of water and/or sewer district.

(1) Any district incorporated as provided in this part and part 23 shall have power to:

(a) have perpetual succession;

(b) sue and be sued, except as otherwise provided herein or by law, in all actions and proceedings in all courts and tribunals of competent jurisdiction;

(c) adopt a seal and alter it at pleasure;

(d) take by grant, purchase, gift, devise, or lease and to hold, use, enjoy, and to lease or dispose of real and personal property of every kind, within or without the district, necessary to the full exercise of its powers;

(e) make contracts, employ labor, and do all acts necessary for the full exercise of the foregoing powers.

(2) The powers enumerated in this part and part 23 shall, except as otherwise provided in this part and part 23, be exercised by the board of directors ~~provided for in 7-13-2231 and elected and appointed as described in this part and part 23.~~"

{Internal References to 7-13-2217: None.}

Section 115. Section 7-13-2222, MCA, is amended to read:

"7-13-2222. Applicability of general election laws. ~~Except as otherwise provided in this part and part 23, the provisions of the law relating to the qualifications of electors, the manner of voting, the duties of election officers, the canvassing of returns, and all other particulars in respect to the management of general elections, so far as they may be applicable, The~~ provisions of [section 4] shall govern all district elections."

{Internal References to 7-13-2222: None.}

Section 116. Section 7-13-2231, MCA, is amended to read:

"7-13-2231. District to be governed by board of directors.

(1) ~~At an election to be held within a district under the provisions of part 23 and this part and the laws governing general elections not inconsistent with part 23 and this part, the district shall elect a board of directors. The election must be conducted by mail ballot, as provided in Title 13, chapter 19, or must be held in conjunction with the next regular or primary election. The district shall be governed by a board of directors elected at an election conducted in accordance with [section 4].~~

If no electors reside in the district at ~~a~~ the time when directors of the district are to be elected, the directors ~~to be elected~~ must be appointed in a certificate of appointment presented to the board of directors of the district, signed by the owners of all of the real property in the district, and

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containing the signed acceptance of the appointment by all of the directors.

(2) The board of directors is the governing body of the district."

{*Internal References to 7-13-2231:*
a7-13-2217 }

Section 117. Section 7-13-2225, MCA, is amended to read:

"7-13-2225. Combination of elections. (1) The board of county commissioners in its discretion may combine in one election the election on the formation of the district, the election of directors, the election on incurring bonded indebtedness, and, if applicable, the vote on the proposed monthly salary for members of the board of directors so that the qualified electors of the district may vote on all of these matters on the same date and at the same time.

(2) If the elections are combined, the ~~board of county commissioners shall so declare by resolution containing the provisions required by 7-13-2321. If the elections are combined,~~ the notice of the election must contain the names of the candidates, the details concerning the bonded indebtedness as provided in 7-13-2321, and, if applicable, the proposed monthly salary for members of the board of directors as provided in 7-13-2273.

(3) Candidates for the office of director shall be nominated in the manner required by 7-13-2241 ~~and 7-13-2246.~~"

{*Internal References to 7-13-2225:*
x7-13-2273 }

Section 118. Section 7-13-2231, MCA, is amended to read:

"7-13-2231. District to be governed by board of directors.

(1) ~~At an election to be held within a district under the provisions of part 23 and this part and the laws governing general elections not inconsistent with part 23 and this part, the~~ The district shall elect a board of directors. The election must be conducted by mail ballot, as provided in Title 13, chapter 19, or must be held in conjunction with the next regular or primary election as provided in [section 4]. If no electors reside in the district at a time when directors of the district are to be elected, the directors ~~to be elected~~ must be appointed in a certificate of appointment ~~presented to the board of directors of the district,~~. The certificate of appointment must be signed by the owners of all of the real property in a majority of the qualified electors of the district, and containing the signed acceptance of the appointment by all of the directors. An appointment is not effective unless the person to be appointed signs the certificate of appointment.

(2) The board of directors is the governing body of the district."

{*Internal References to 7-13-2231:*
7-13-2217 }

Section 119. Section 7-13-2234, MCA, is amended to read:

"7-13-2234. Term of office -- election in odd-numbered years. (1) ~~All directors~~ A director, elected or appointed, shall

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hold office until the election and qualification or appointment and qualification of ~~their successors~~ the director's successor.

(2) Except as ~~otherwise~~ provided in subsection (3), the term of office of ~~directors elected under the provisions of this part and part 23~~ a director shall be 4 years ~~from and after the date of their election~~.

(3) ~~Directors elected at the first regular election under this part and part 23 after July 1, 1979, shall serve as follows:~~

(a) In districts requiring the election of five ~~elected~~ directors, three of the initial directors shall serve for a term of 2 years and two of the intial directors shall serve for a term of 4 years.

(b) In districts requiring the election of three ~~elected~~ directors, one ~~director~~ initial director shall serve for a term of 2 years and two initial directors shall serve for a term of 4 years.

(c) At ~~their~~ the first meeting following an initial election or appointment of directors, the directors shall determine by lot ~~which of them~~ who shall serve ~~the~~ a 2-year term ~~or terms less than 4 years. Every term thereafter shall be for a period of 4 years.~~

(4) ~~The term of office of directors appointed by the mayor or mayors or by the board of county commissioners shall be 6 years from and after the date of appointment. Directors to be first appointed under the provisions of this part and part 23 shall be appointed within 90 days after the formation of the district.~~

~~(5) The first regular election for a district shall be held in November of the next odd-numbered year following the formation of the district."~~

{Internal References to 7-13-2234: None.}

Section 120. Section 7-13-2241, MCA, is amended to read:

"7-13-2241. ~~Filing of petition~~ Petition of nomination. (1)

A petition of nomination, signed by at least five electors of the district for any one candidate, ~~may~~ must be filed with the election administrator ~~not earlier than 135 days or later than 75 days before the election~~ within the time period specified in [section 2]. The election administrator shall endorse on the petition the date ~~upon~~ on which the petition was presented.

(2) If the district lies in more than one county, the petition for nomination must be presented to the election administrator whose county contains the ~~largest percentage of the territory of~~ highest number of qualified electors in the district and the election administrator shall ~~fulfill all duties assigned to election administrators in elections~~ conduct the elections provided for under part 23 and this part.

(3) If the petition of nomination conforms to this section, the election administrator shall place the name of the petitioner on the ballot as a candidate for director of the district.

(4) The county clerk shall retain in the clerk's office for a period of 2 years all petitions of nomination filed under this section."

{Internal References to 7-13-2241:

x7-13-2225 r7-13-2247 }

Section 121. Section 7-13-2261, MCA, is amended to read:

"7-13-2261. Recall of officers. Every incumbent of an elective office, whether elected by popular vote for a full term, elected by the board of directors to fill a vacancy, or appointed by a mayor or the board of commissioners for a full term, is subject to recall by the qualified electors of any district organized under the provisions of this part and part 23 in accordance with Title 2, chapter 16, part 6."

{*Internal References to 7-13-2261: None.*}

Section 122. Section 7-13-2262, MCA, is amended to read:

"7-13-2262. Insufficient candidates -- vacancies on board of directors -- appointment of entire board. (1) If the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held, the board of directors shall declare elected by acclamation the candidate who filed a nominating petition for the position. If no candidate filed a nominating petition for the position, the board of directors shall make an appointment to fill the position and the term is the same as if the director were elected.

(2) (a) Except as provided in subsections (3) and (4), any vacancy in the board of directors, whether the vacant office is elective or appointive, must be filled by majority vote of the remaining directors.

(b) A vacancy must be determined in accordance with 7-13-2263.

(3) If there are no directors remaining on the board and no nominees for any director position to be elected, the county commissioners may appoint the number of directors specified in 7-13-2232(1). If the district lies in more than one county, the county commissioners of each county with territory included in the district shall jointly appoint the directors. The county commissioners shall stagger the terms of the directors appointed.

(4) If the boundaries of the district include any municipality or municipalities and a new board must be appointed as provided in subsection (3), the board shall include one additional director to be appointed by the mayor of the municipality for which the additional director is allowed.

(5) Following the appointment of a board in accordance with subsection (3), the directors must be elected as provided in this part."

{*Internal References to 7-13-2262:*
x7-13-2258 }

Section 123. Section 7-13-2271, MCA, is amended to read:

"7-13-2271. Organization of board of directors. (1) The board of directors shall hold its first meeting on the sixth Monday after the ~~first general election for the election~~ of directors ~~as herein provided~~. It shall choose one of its members president and shall ~~thereupon~~ provide for the time and place of holding its meetings and the manner in which its special meetings

may be called.

(2) The board shall establish rules for its proceedings."

{*Internal References to 7-13-2271: None.*}

Section 124. Section 7-13-2272, MCA, is amended to read:

"7-13-2272. Duties of board president. (1) The president shall sign all contracts on behalf of the district and perform other duties as may be imposed by the board of directors.

(2) The president may propose a monthly salary in excess of the amounts provided in 7-13-2273(2) for the members of the board of directors. The proposed monthly salary must be approved by the ~~voters~~ qualified electors in the district pursuant to 7-13-2273."

{*Internal References to 7-13-2272: None.*}

Section 125. Section 7-13-2273, MCA, is amended to read:

"7-13-2273. Compensation of members of board -- approval by voters of district. (1) Each of the members of the board of directors may receive a monthly salary.

(2) Except as provided in subsection (3), a salary may not exceed the following amounts:

(a) \$60 in districts with a population of no more than 500 persons;

(b) \$80 in districts with a population that exceeds 500 but is no more than 5,000 persons; and

(c) \$100 in districts with a population of more than 5,000 persons.

(3) A salary may exceed the amounts provided under

subsection (2) if the salary is in an amount proposed by the president of the board and approved by one of the following methods:

(a) an affirmative vote of the majority of the votes cast by the qualified ~~voters~~ electors of the district in an election held ~~either by mail ballot, as provided in Title 13, chapter 19,~~ ~~or in conjunction with a regular or primary election in~~ accordance with [section 4]; or

(b) an affirmative vote of the majority of the qualified ~~voters~~ electors of the district who are present and voting at an annual organizational meeting of the district.

(4) A newly elected member of the board of directors must receive the monthly salary, if any, established for the board member position at the time that the member was elected.

~~(5) A vote on the question of the proposed salary for members of the board of directors may be held in combination with the elections provided in 7-13-2225 if the vote is conducted by mail ballot or held in conjunction with a regular or primary election.~~

~~(6) (a) Notice of the vote on the proposed monthly salary for the members of the board of directors must be provided to the members of the district. If an election is held pursuant to subsection (3)(a), notice must be as provided in 13-1-108 and state must include the following:~~

- ~~(i)~~(a) the date on which the ~~vote~~ election will be held;
- ~~(ii)~~(b) the manner in which the ~~vote~~ election will be held;
- ~~(iii)~~(c) the amount of the proposed monthly salary for the

members of the board of directors; and

~~(iv)~~(d) any other information regarding the vote election that may be necessary.

~~(b) The notice must be published as provided in 13-1-108.~~

~~(7) For purposes of this section, "qualified voters of the district" means the voters qualified to vote on the question of the creation of the district as provided in 7-13-2212."~~

{*Internal References to 7-13-2273:*
x7-13-2225 x7-13-2272 x7-13-2272 }

Section 126. Section 7-13-2276, MCA, is amended to read:

"7-13-2276. Right of initiative and referendum. (1)

Ordinances may be passed by the qualified electors of any district organized under the provisions of this part and part 23 in accordance with the methods provided by the general laws of the state for direct legislation applicable to cities and towns.

(2) Ordinances may be ~~disapproved and thereby vetoed~~ repealed by the qualified electors of any ~~such~~ district by proceeding in accordance with the methods provided by the general laws of the state for protesting against legislation by cities and towns."

{*Internal References to 7-13-2276:*
x7-13-2348 }

Section 127. Section 7-13-2321, MCA, is amended to read:

"7-13-2321. Procedure to incur bonded indebtedness. (1)

Whenever the board of directors considers it necessary for the district to incur a bonded indebtedness, other than for

indebtedness to refund bonded indebtedness as provided for in 7-13-2332 or revenue or special indebtedness incurred pursuant to 7-13-2333, it shall by resolution state the purpose for the proposed debt, the land within the district to be benefited, the amount of debt to be incurred, the maximum term for the proposed bonds before maturity, and the proposition to be submitted to the qualified electors.

(2) If no qualified electors reside in the district at the time of adoption of the resolution or if the proposition is approved by all of the real property owners in the district to be benefited in a certificate of approval to be presented to the board of directors, the board of directors may incur the bonded indebtedness without an election. The board of directors may by resolution, at times that it considers proper, provide for the form and execution of the bonds and for their issuance."

{*Internal References to 7-13-2321:*
x7-13-2225 x7-13-2329 }

Section 128. Section 7-13-2323, MCA, is amended to read:

"7-13-2323. Election on question of incurring bonded indebtedness. (1) The board of directors shall fix a date upon which an election is held for the purpose of authorizing the bonded indebtedness to be incurred. ~~Except as provided in Subject to subsection (2), the election must be conducted by mail ballot, as provided in Title 13, chapter 19, or must be held in conjunction with a regular or primary election as provided in [section 4].~~

(2) The board may order up to two ~~special~~ elections each year if:

(a) there are no bids within the amount of approved bonds;

(b) there is an emergency;

(c) a directive for a project is received from a government agency; or

(d) it is necessary to take advantage of the construction season."

{*Internal References to 7-13-2323: None.*}

Section 129. Section 7-13-2324, MCA, is amended to read:

"7-13-2324. Notice of election on incurring bonded indebtedness. (1) The board of directors shall give notice pursuant to 13-1-108 of the holding of the election.

(2) The notice must:

(a) state the date of the election;

(b) state the hours the polls will be open;

(c) describe the boundaries of voting precincts, which may include only the lands to be benefited as stated in the resolution;

(d) describe the purpose of the issue, the amount of bonds proposed to be issued, and the term of years for repayment of the bonds;

(e) reference the resolution authorizing the election and state that it is available for public inspection; and

(f) state any other information that the board considers proper.

~~(2) The notice must be published as provided in 13-1-108."~~

{Internal References to 7-13-2324: None.}

Section 130. Section 7-13-2328, MCA, is amended to read:

"7-13-2328. Sufficient vote required to issue bonds.

(1) (a) When the board of directors canvasses the vote of a bond election, the board shall determine the approval or rejection of the bond proposition as provided in subsections (1)(b) through (1)(d) after calculating the percentage of qualified electors voting in the bond election in the following manner:

(i) determine the total number of electors of the district who were qualified to vote at the bond election;

(ii) determine the total number of qualified electors who voted at the bond election;

(iii) calculate the percentage of qualified electors voting at the bond election by dividing the amount determined in subsection (1)(a)(ii) by the amount determined in subsection (1)(a)(i).

(b) When the calculated percentage in subsection (1)(a)(iii) is 40% or more, the bond proposition is approved and adopted if a majority of the votes are cast in favor of the proposition; otherwise it must be rejected.

(c) When the calculated percentage in subsection (1)(a)(iii) is more than 30% but less than 40%, the bond proposition is approved and adopted if 60% or more of the votes have been cast in favor of the proposition; otherwise it must be rejected.

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(d) When the calculated percentage in subsection (1)(a)(iii) is 30% or less, the bond proposition must be rejected.

~~(2) For purposes of this section, the total number of electors of the district who are qualified to vote at the bond election equals the sum of:~~

~~— (a) the individuals who possess all the qualifications required of electors under the general election laws of the state and who are residents of the district; and~~

~~— (b) the individuals who have satisfied the requirements of 7-13-2212(2) with respect to the particular bond election.~~

~~— (3) If the canvass of the vote establishes the approval and adoption of the bond proposition, then the board of directors may by resolution provide for the form and execution of the bonds and for the issuance of the bonds."~~

{*Internal References to 7-13-2328:*
x7-13-2329 }

Section 131. Section 7-13-2333, MCA, is amended to read:

"7-13-2333. Issuance of revenue or special assessment bonds without election. (1) The board of directors of the district may authorize the issuance of bonds payable from all or a portion of the revenue of the district or from special assessments levied against benefited property in the district to finance the acquisition, construction, improvement, or extension of any facilities of the district benefiting all or any portion of the district for other authorized corporate purposes of the district,

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to refund bonds issued for those purposes, to fund a debt service refund for the security of the bonds, to pay interest on the bonds during the estimated period of construction or improvement of facilities, and to pay costs of the bond issuance. Revenue or special assessment bonds issued under this section may be authorized by a resolution adopted by the board of directors of the district without need for authorization ~~by the electors through an election~~. Bonded indebtedness incurred pursuant to this section may not be secured by the levy of the deficiency tax provided in 7-13-2302 if not submitted to and approved by the qualified electors of the district.

(2) Revenue or special assessment bonds authorized in subsection (1) may be sold as provided in 7-13-2329. The board of directors may, by resolution, pledge to the payment of the revenue bonds or special assessment bonds all or a portion of the rates, fees, tolls, rents, or other charges afforded by or special assessments levied in respect of facilities of the district, whether financed with bonds or other available funds of the district. The pledge may be made on a parity with or with a superior or subordinate lien to the pledge of the revenue to other bonded indebtedness of the district, subject to any covenants made with owners of outstanding bonds of the district. The board of directors may also make covenants for the benefit of the owners of the bonds as provided in 7-13-2301, but the revenue or special assessment bonds may not be secured by the bond tax levied pursuant to 7-13-2302 or any other taxing powers of the district. The bonds do not constitute and may not be included as

an indebtedness or liability of the district for purposes of any statutory debt limitation but are subject to the limitations of this section.

(3) Bonds may be issued under this section only if:

(a) the bonds are issued in the principal amounts and on terms that stipulate that the amount of principal and interest due in any fiscal year on the bonds and any other revenue or special assessment bonds of the district and issued under this section do not exceed the amount of the revenue or special assessment pledged to the payment of the bonds and received in that fiscal year as estimated by the board of directors of the district in the resolution authorizing the issuance of the bonds; and

(b) the final maturity of the bonds is not later than 40 years after the date of issuance of the bonds or the useful life of the project financed from the proceeds of the bonds, as determined by the board of directors."

{*Internal References to 7-13-2333:*
x7-13-2302 x7-13-2321 }

Section 132. Section 7-13-2341, MCA, is amended to read:

"7-13-2341. Addition of land to district -- election required. (1) Except as provided in subsection (5), any portion of any county or any municipality, or both, may be added to any district organized under the provisions of part 22 and this part at any time upon petition presented in the manner provided in part 22 and this part for the organization of the district.

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(2) The petition may be granted by ordinance of the board of directors of the district. The ordinance must be submitted for adoption or rejection ~~to the vote of the electors in the district and in the proposed addition at a general election, at a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election~~ by the qualified electors in the district voting at an election conducted as provided in [section 4].

(3) If the ordinance is approved, the president and secretary of the board of directors shall certify that fact to the secretary of state and to the county clerk and recorder of the county in which the district is located. Upon the receipt of the certification, the secretary of state shall within 10 days issue a certificate that states the passage of the ordinance and the addition of the territory to the district. A copy of the certificate must be transmitted to and filed with the county clerk and recorder of the county in which the district is situated.

(4) After the filing of the certificate, the territory is added to and is a part of the district with all the rights, privileges, and powers set forth in this part and necessarily incident to this part.

(5) If the board of directors determines that a district has a water facility or a sewer facility with a capacity greater than required to meet the needs of the current district, it may by ordinance, upon petition of contiguous property owners and

with the written consent of all property owners to whom the service is to be extended, expand the district to include land, to the extent of excess capacity, without complying with subsections (1) and (2). However, if the board determines that an election should be held or if 40% or more of ~~the members of the~~ qualified electors of the district petition for an election, compliance with subsections (1) and (2) is required."

{*Internal References to 7-13-2341: None.*}

Section 133. Section 7-13-2342, MCA, is amended to read:

"7-13-2342. Consolidation of county water and/or sewer districts. (1) Two or more districts organized under the provisions of part 22 and this part may consolidate at any time upon petitions submitted to the board of directors of each district. The petitions must be in the form required for petitions for the organization of districts. Each petition must be signed by not less than 10% of the ~~registered voters~~ qualified electors of the territory included within the district.

(2) The petitions may be granted by ordinance of the board of directors of each district. The ordinances must be submitted for adoption or rejection ~~to the vote of~~ by the qualified electors in the district at general or special elections held, as provided in part 22 and this part, within 70 days after the adoption of the ordinances voting in an election conducted in accordance with [section 4].

(3) If the ordinances are approved, the president and secretary of the boards of directors of each district shall

certify that fact to the secretary of state and to the county clerk of the county or counties in which the districts are located. Upon the receipt of the certificate, the secretary of state shall within 10 days issue a certificate, reciting the passage of the ordinances and the consolidation of the districts. A copy of the certificate must be transmitted to and filed with the county clerk of each county in which the consolidated district is situated.

(4) After the date of the certificate, the districts are considered to be consolidated and consist of one district with all the rights, privileges, and powers set forth in part 22 and this part and necessarily incident to those rights, privileges, and powers.

(5) The number and manner of selection and election of directors of the consolidated district must be the same as the number and manner of selection and election of directors of newly organized districts."

{*Internal References to 7-13-2342: None.*}

Section 134. Section 7-13-2352, MCA, is amended to read:

"7-13-2352. Dissolution of district by ~~special~~ election.

(1) The board of directors may, after notice is given as provided in 7-1-2121, hold a hearing for dissolution of the district if:

(a) the district has no facilities;

(b) the district provides no services;

(c) the board is not a party to any existing contracts and is not engaged in any contract proposals for facilities or

services; and

(d) the district has not had outstanding debts for at least 3 years.

(2) At the dissolution hearing, the board of directors shall hear testimony of all persons interested in whether the district should be dissolved.

(3) If the board of directors determines that the dissolution of the district is in the best interests of the public, the board may resolve to recommend that the district be dissolved. The recommendation must include a specific plan for distribution of any remaining assets after dissolution and must be provided to the board of county commissioners in each county in which the district is located.

(4) Upon receipt of a recommendation for dissolution, the board of county commissioners in each county in which the district lies shall order ~~a referendum~~ an election on the proposed dissolution. The ~~referendum~~ election must be ~~held in conjunction with a regular or primary election or must be conducted by mail ballot election as provided in Title 13, chapter 19~~ conducted in accordance with [section 4].

(5) If the majority of votes cast at the election by qualified electors of the district are in favor of dissolving the district, each board of county commissioners shall by order declare the district dissolved.

(6) Upon dissolution of the district by each board of county commissioners, the clerk of each county in which the district was located shall immediately send written notice to the

secretary of state and shall record a certificate stating that the district is dissolved.

(7) Any assets of the district after dissolution must be distributed according to the plan adopted by the board of directors under subsection (3)."

{*Internal References to 7-13-2352:*
x7-13-2351 }

Section 135. Section 7-13-4204, MCA, is amended to read:

"7-13-4204. Rental charges for use of sewer system -- election required. (1) Upon being petitioned by 5% of the qualified registered electors who are residents of the city or town, the city or town council shall ~~submit to a vote to the qualified electors, at the annual municipal election or at a special election held in conjunction with a regular or special election,~~ conduct an election in accordance with [section 4] on the question of whether or not the city or town council may establish and collect rentals for the use of the sewer system, may fix the scale of the rentals, and may prescribe the manner and time at which the rentals must be paid:

(a) to provide the sewer fund;

(b) to provide for the retirement of the bonds and the payment of the interest on the bonds; or

(c) for any purpose mentioned in this section.

(2) If a majority of votes is cast in favor of the proposition, then the city or town council may establish and collect rentals for the use of the sewer system, may fix the

scale of rentals, may prescribe the manner and time at which the rentals should be paid, and may change the scale of rentals from time to time as considered advisable.

(3) The revenue provided in this section are in addition to and not exclusive of other revenue that may be legally collected for sewer payment."

{*Internal References to 7-13-4204: None.*}

Section 136. Section 7-13-4511, MCA, is amended to read:

"7-13-4511. Sufficient protest to require referendum. If the owners of more than 20% of the fee-assessed units in the proposed district protest the creation of the proposed district and the fees proposed to be charged, the commissioners are barred from further proceedings on the matter unless the commissioners submit ~~a referendum to create the district to~~ the question to the registered voters electors who reside within the proposed district in an election conducted in accordance with [section 4] and the ~~registered~~ voters approve the creation of the district and establish the fees by approving the referendum."

{*Internal References to 7-13-4511:*
*a7-13-4513 x7-13-4527 * }*}

Section 137. Section 7-13-4512, MCA, is amended to read:

"7-13-4512. Referendum. (1) The commissioners may adopt a resolution causing a referendum to be submitted to the registered ~~voters~~ electors who reside within a proposed local water quality district in an election to be conducted in accordance with

[section 4] to authorize the creation of the district and establish fees.

(2) The referendum must state:

(a) the type and maximum rate of the initial proposed fees that would be imposed, consistent with the requirements of 7-13-4523;

(b) the maximum dollar amount for a family residential unit;

(c) the type of activities proposed to be financed, including a general description of the local water quality program; and

(d) a general description of the areas included in the proposed district."

{*Internal References to 7-13-4512:*

a7-13-4513 a7-13-4522 x7-13-4523 x7-13-4527 * }

Section 138. Section 7-13-4513, MCA, is amended to read:

"7-13-4513. Insufficient protest to bar proceedings -- resolution creating district -- power to implement local water quality program. (1) The commissioners may create a local water quality district, establish fees, and appoint a board of directors if the commissioners find that insufficient protests have been made in accordance with 7-13-4511 or if the registered ~~voters~~ electors who reside in the proposed district have approved a referendum as provided in 7-13-4512.

(2) To create a local water quality district, the commissioners shall pass a resolution in accordance with the

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resolution of intention introduced and passed by the commissioners or in accordance with the terms of the referendum.

(3) The commissioners and board of directors may implement a local water quality program after the program is approved by the board of environmental review pursuant to 75-5-311."

{*Internal References to 7-13-4513:*
x7-13-4524 x7-13-4527 }

Section 139. Section 7-13-4522, MCA, is amended to read:

"7-13-4522. Changes in district boundaries. The board of directors may by resolution make changes in the boundaries of a local water quality district that the board determines are reasonable and proper, following the same procedures of notice and hearing provided in 7-13-4507, 7-13-4509, and 7-13-4510, except that the notice provisions of 7-13-4507(3) apply only to the owners of proposed fee-assessed units in new areas that are proposed to be included in the district. If 20% of the owners of fee-assessed units in the new areas protest the inclusion in the district and the fees proposed to be charged, the board of directors is barred from further proceedings on the matter unless the registered ~~voters~~ electors who reside in the areas proposed for inclusion agree to be included in the district and accept the proposed fees by approving a referendum in accordance with the provisions of 7-13-4512."

{*Internal References to 7-13-4522: None.*}

Section 140. Section 7-13-4535, MCA, is amended to read:

"7-13-4535. Referendum to abolish local water quality district or joint local water quality district -- termination procedures. (1) A person owning a fee-assessed unit located within a local water quality district or a joint local water quality district may petition the commissioners of a local water quality district or the board of directors of a joint water quality district to submit a referendum to the registered ~~voters~~ electors residing in the district to terminate or abolish the district. The petition must be in writing and contain the signatures and addresses of 20% or more of the owners of fee-assessed units in the district. The petition requesting a referendum for termination or abolishment of a district must be delivered to the county clerk who shall endorse on it the date on which the petition was received and validate the signatures within 60 days of receipt of the petition. If the petition contains valid signatures of at least 20% of the owners of fee-assessed units located within the district, the county clerk shall notify the commissioners of a local water quality district or the board of directors of a joint water quality district.

(2) Upon receipt of a valid petition described in subsection (1), the commissioners of a local water quality district or the board of directors of a joint water quality district shall submit the referendum to the registered ~~voters~~ electors residing in the district ~~in accordance with the provisions of 7-5-136~~ in an election conducted in accordance with [section 4]."

{Internal References to 7-13-4535: None.}

Section 141. Section 7-14-210, MCA, is amended to read:

"7-14-210. Election on question of creating urban transportation district or addition to a district. (1) The commissioners, upon completion of the public hearing required by 7-14-207, shall proceed by resolution to refer the creation of the district or addition to a district to the persons qualified to vote on the proposition.

(2) ~~The commissioners may designate in their resolution whether a special election is to be held in conjunction with a regular or primary election, whether the matter is to be determined at the next general election, or whether the matter is to be determined by a mail ballot election held pursuant to the provisions of Title 13, chapter 19. If a special election is ordered, the order must specify the date for the election and the voting places and the commissioners shall appoint and designate election judges and clerks. The election shall be held in accordance with [section 4].~~

{*Internal References to 7-14-210: None.*}

Section 142. Section 7-14-211, MCA, is amended to read:

"7-14-211. ~~Conduct of election on question of creating district~~ Ballot form. (1) ~~The election shall be held in all respects, as nearly as practicable, in conformity with the general election laws.~~

——(2) At the election provided for under 7-14-210, the ballots shall contain the words:

[] Transportation district -- YES

[] Transportation district -- NO"

{*Internal References to 7-14-211: None.*}

Section 143. Section 7-14-212, MCA, is amended to read:

"7-14-212. District to be governed by transportation board -- election of board. (1) The district must be governed by a transportation board. The commissioners and the governing bodies of each city or town included or partially included in the district shall determine if the board is to be elected or appointed. If the board is to be elected, the initial and subsequent election of board members must be held in accordance with [section 4].

(2) The commissioners and the governing body by resolution shall:

(a) determine the number of board members;

(b) set the term of office;

(c) determine the makeup of the board with respect to the number of appointed members that will represent each county, city, or town;

~~(d) establish a procedure for selecting the initial members of an elected board. The initial members shall serve until the first county general election after their appointment.~~

~~(e) determine the number of candidates for an elected board whose names must be placed on the ballot in the county general election, based on the results of the primary election; and~~

~~(f)~~(e) establish a procedure for filling vacancies on the board, including a provision for public notice.

(3) The commissioners and the governing body may, at any time, adopt a resolution changing the method by which the members of the board are selected. The resolution must contain a provision that the term of office of the current members of the board may not be shortened.

(4) If the board is elected and if the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held, the board shall declare elected by acclamation each candidate who filed a nominating petition for a position.

(5) If there are no nominees for an elective office of a member of the board, the vacancy must be filled as provided in subsection ~~(2)~~~~(f)~~(2)(e).

(6) A member of the board taking office pursuant to subsection (4) or (5) serves a term of office as if elected to that office."

{*Internal References to 7-14-212: None.*}

Section 144. Section 7-14-1106, MCA, is amended to read:

"7-14-1106. Election of local port authority commissioners.

(1) Any registered elector in the county or municipality in which the local port authority is located may file a petition of candidacy with the election administrator. The petition must contain the signatures of not less than 25 registered electors of

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the county or municipality. The petition must be filed ~~at least 75 days before the election day~~ within the time period specified in [section 2].

(2) The election ~~must shall~~ be ~~conducted at the time~~ provided in 13-1-104(3) and in the manner provided by 13-1-401 conducted in accordance with [section 4].

(3) If no nomination petitions are filed for one or more commissioner offices, the appropriate local governing body shall appoint one or more commissioners as necessary to fill those offices."

{*Internal References to 7-14-1106:*
x7-14-1101 }

Section 145. Section 7-14-1134, MCA, is amended to read:

"7-14-1134. Method of funding deficiency -- election required. (1) Subject to the conditions stated in this section, the governing body of a county or of a municipality having a population in excess of 10,000 may by resolution covenant that if at any time all revenue, including taxes, appropriated and collected for bonds issued pursuant to this part is insufficient to pay principal or interest then due, it will levy a general tax upon all of the taxable property in the county or municipality for the payment of the deficiency. The governing body may further covenant that at any time a deficiency is likely to occur within 1 year for the payment of principal and interest due on the bonds, it will levy a general tax upon all the taxable property in the county or municipality for the payment of the deficiency.

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The taxes are not subject to any limitation of rate or amount applicable to other county or municipal taxes but are limited to a rate estimated to be sufficient to produce the amount of the deficiency. If more than one local government is included in an authority issuing bonds pursuant to this part, the local governments may apportion the obligation to levy taxes for the payment of, or in anticipation of, a deficiency in the revenue appropriated for the bonds in a manner that the local governments may determine.

(2) The resolution must state the principal amount and purpose of the bonds and the substance of the covenant respecting deficiencies.

(3) (a) A resolution is not effective until the question of its approval has been submitted to the qualified electors of the local government at an election called for that purpose by the governing body of the local government and held as provided in 15-10-425 and the question is approved by a majority of the electors voting.

(b) ~~The notice and conduct of the election is governed, to the extent applicable, as provided for municipal general obligation bonds in Title 7, chapter 7, part 42, for an election called by cities and towns, and as provided for county general obligation bonds in Title 7, chapter 7, part 22, for an election called by counties~~ The election shall be conducted in accordance with [section 4]. If a majority of the electors voting on the issue vote against approval of the resolution, the local government may not make the covenant or levy a tax for the

payment of deficiencies pursuant to this section. The local government or authority may issue bonds under this part payable solely from the sources referred to in 7-14-1133(1)."

{Internal References to 7-14-1134:
x7-14-1131 x7-14-1133 }

Section 146. Section 7-14-1633, MCA, is amended to read:

"7-14-1633. Election required to impose mill levy. (1)

Before the levy provided for in 7-14-1632 may be made, the question must be submitted to a vote of the people at an election held pursuant to 15-10-425.

(2) Notice of the election, clearly stating the amount and the purpose of the levy, must be given, and the election ~~must be held and conducted and the returns must be made in the manner prescribed by law for the submission of questions to the electors under the general election laws~~ shall be conducted in accordance with [section 4]."

{Internal References to 7-14-1633: None.}

Section 147. Section 7-14-2507, MCA, is amended to read:

"7-14-2507. Qualifications to vote on mill levy question of ~~additional mill levy.~~ (1) An individual is entitled to vote at an election under this chapter conducted pursuant to 15-10-425 ~~to exceed the levy authority provided for in 7-14-2501(1)~~ if the individual possesses all of the qualifications required of electors under ~~the general election laws of the state~~ 13-1-111 and is:

~~(a)(1) a resident of the area that is or may be subject to the proposed a tax under this chapter; or~~

~~(b)(2) the owner of taxable property located in the area that is or may be subject to the proposed a tax under this chapter.~~

~~——(2) An individual who is the owner of the property described in subsection (1)(b) need not possess the qualifications required of an elector in subsection (1)(a) if the elector is qualified to vote in any county of the state and files proof of registration with the election administrator at least 20 days prior to the election in which the individual intends to vote."~~

{Internal References to 7-14-2507: None.}

Section 148. Section 7-14-4512, MCA, is amended to read:

"7-14-4512. Referendum on parking meters prior to enacting ordinance. An ordinance providing for the purchasing, renting, leasing, or otherwise acquiring or installing, maintaining, operating, or using parking meters, devices, or instruments may not be enacted unless the question of whether or not the ordinance may be enacted has been submitted to the qualified electors of the city or town at ~~a general~~ an election ~~or a special election that is held in conjunction with a regular or primary election and that is called for that purpose~~ conducted in accordance with [section 9]. An ordinance may not be enacted unless authorized by a majority of the votes cast are in favor of enacting the ordinance."

{Internal References to 7-14-4512: None.}

Section 149. Section 7-14-4642, MCA, is amended to read:

"7-14-4642. Election required to issue revenue bonds. (1)

The power to issue revenue bonds as provided in this part is not operative in any city until the legislative body, ~~either at a general election or a special election held in conjunction with a regular or primary election,~~ submits to the qualified electors the question as to whether the legislative body, the commission, or both, are authorized to adopt the revenue bond method of financing projects provided for in this part.

(2) ~~The question must be placed before the electors and notice must be given in the same manner as provided by law for referring ordinances of the city to the electors~~ The election on the question shall be conducted in accordance with [section 9].

(3) The qualifications of electors are the same as those required for voting at municipal elections in the city for elective officers. The provisions relating to the qualifications of electors and manner of submission of the question to the electors for the purposes of this part are controlling, notwithstanding any provision of law to the contrary."

{Internal References to 7-14-4642: None.}

Section 150. Section 7-16-2102, MCA, is amended to read:

"7-16-2102. Authorization for tax levy for parks and certain cultural, social, and recreational facilities. (1)

Subject to 15-10-420, the board of county commissioners may

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annually levy on the taxable property of the county, in the same manner and at the same time as other county taxes are levied, a tax for the purpose of maintaining, operating, and equipping parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational complex, or any combination of purposes, parks, and facilities.

(2) (a) The board of county commissioners shall submit the question of imposing or the continued imposition of the property tax mill levy provided in subsection (1) to the electors of the county ~~at the next general election~~ if a petition requesting an election, signed by at least 15% of the resident taxpayers of the county, is filed with the county clerk. The petition must be filed with the county clerk at least 90 days prior to the date of the ~~general~~ election.

(b) The question must be submitted as provided in 15-10-425.

(c) The board of county commissioners shall levy the tax if the question for the imposition of the tax is approved by a majority of the electors voting on the question.

(3) All laws applicable to the collection of county taxes apply to the collection of the tax provided for in this section."

{*Internal References to 7-16-2102:*
7-6-2527 7-16-2103 7-16-2109 }

Section 151. Section 7-16-2109, MCA, is amended to read:

"7-16-2109. Single assessment for county fair activities, county parks, and certain cultural, social, and recreational

facilities -- restriction. (1) Subject to 15-10-420 and except as provided in subsection (2) of this section, the county commissioners of a county who have levied taxes pursuant to 7-16-2102 may combine that levy with any fees assessed in accordance with 7-11-1024 into a single assessment for the purpose of maintaining, operating, and equipping county fair activities, county parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational complex, or any combination of purposes, activities, and facilities. The money collected may be distributed among the activities and facilities as determined by the county commissioners.

(2) (a) The board of county commissioners shall submit the question of imposing or continuing the imposition of the single assessment provided for in subsection (1) to the electors of the county ~~at the next general election~~ if a petition requesting a vote on the single assessment, signed by at least 15% of the resident taxpayers of the county, is filed with the county clerk and recorder at least 90 days prior to the date of the ~~general~~ election.

(b) The question must be submitted as provided in 15-10-425.

(c) The board of county commissioners shall collect the assessment if the imposition or continued imposition of the single assessment is approved by a majority of the electors voting on the question."

{*Internal References to 7-16-2109:*

7-6-2527 }

Section 152. Section 7-33-2106, MCA, is amended to read:

"7-33-2106. Details relating to board of trustees of fire district -- election -- qualified electors. (1) (a) The five trustees initially appointed by the county commissioners hold staggered terms of office until their successors are elected or appointed and qualified as provided in this section.

(b) The initial trustees' terms of office must be drawn by lot and include:

- (i) 3 years for one trustee;
- (ii) 2 years for two trustees; and
- (iii) 1 year for two trustees.

(c) Upon expiration of the terms provided in subsection (1)(b), each subsequent trustee shall serve a 3-year term of office.

(d) A term of office begins on the date of the trustee's election or appointment.

~~(2) Trustees must be elected as provided in 13-1-104(3), 13-1-401, and subsection (3) of this section or appointed as provided in subsection (4) of this section. The term of office is 3 years beginning at the first district meeting following their election or appointment and continuing until their successors are elected or appointed and qualified~~ Trustee elections shall be conducted in accordance with [section 4].

(3) Appointments to fill vacancies occurring during the term of office of a trustee ~~must~~ shall be made by the county

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governing body and appointees shall hold office until the next regular election.

(4) An elector, as defined in ~~Title 13~~ 13-1-101, who resides in the district or any holder of title to lands within the district who presents a proof of payment of taxes on the lands at the polling place is eligible to vote in the election.

~~(3)~~(5) Candidates for the office of trustee of the fire district to be filled by election may be nominated for candidacy by petition signed by a least five qualified electors. The petition must be filed with the election administrator or deputy election administrator ~~at least 75 days before the election day and signed by at least five electors of the district~~ within the time period specified in [section 2].

~~(4)~~(6) If the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held, the county governing body shall declare elected by acclamation each candidate who filed a nominating petition for a position. If a nomination is not made for one or more trustee offices, the county governing body shall appoint one or more trustees as necessary to fill those offices. A trustee taking office pursuant to this subsection serves the trustee term of office as if that trustee had been elected.

~~(5)~~(7) The trustees shall organize by choosing presiding officers and appointing one member to act as secretary."

{*Internal References to 7-33-2106:*
x7-33-2120 x7-33-2403 x7-33-2403 }

Section 153. Section 7-34-2110, MCA, is amended to read:

"7-34-2110. Resolution calling for election. (1) The board of county commissioners in its resolution may make changes in the boundaries of the proposed district that it considers advisable, without including any additional lands not described in the petition, and it shall call an election upon the question of the creation of the district.

(2) ~~The board shall designate in its resolution whether a special election is to be held or whether the matter is to be determined at the next general election. If a special election is ordered, the board shall specify in its order the date for the election. The special election must be held in conjunction with a regular or primary election~~ The election shall be conducted in accordance with [section 4]."

{Internal References to 7-34-2110: None.}

Section 154. Section 7-34-2112, MCA, is amended to read:

"7-34-2112. ~~Conduct of election on question of creating district~~ Ballot form. (1) ~~The election shall be held in all respects, as nearly as practicable, in conformity with the general election laws.~~

~~—~~(2) At the election on the creation of a district, the ballots must contain the words "Hospital district -- Yes" and "Hospital district -- No"."

{Internal References to 7-34-2112: None.}

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Section 155. Section 7-34-2117, MCA, is amended to read:

"7-34-2117. Procedure for conduct of election for trustees -- appointment of trustees. (1) ~~All elections of trustees following~~ Following the election of the first board of trustees under 7-34-2112, each subsequent election must also be conducted at the time provided in ~~13-1-104(3)~~ and in the manner provided by ~~13-1-401~~ in accordance with [section 4].

(2) Candidates for the office of trustee must be nominated by petition signed by at least five electors of the district and filed with the election administrator or deputy election administrator ~~at least 75 days before the election day and signed by at least five electors of the district~~ within the time period provided in [section 2].

(3) If there is no nomination petition filed, it is not necessary to hold an election but the board of county commissioners shall appoint a trustee to fill the term. If there is only one nominee for a ballot position, it is not necessary to hold an election for that position and the board of county commissioners shall declare elected by acclamation the candidate who filed a nominating petition for the position.

(4) ~~A~~ An appointed member of the board taking office pursuant to subsection (3) serves a term of office as if elected to that office."

{*Internal References to 7-34-2117:*
x7-34-2116 }

Section 156. Section 13-1-101, MCA, is amended to read:

"13-1-101. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Active elector" means an elector whose name has not been placed on the inactive list due to failure to respond to confirmation notices pursuant to 13-2-220 or 13-19-313.

(2) "Active list" means a list of active electors maintained pursuant to 13-2-220.

(3) "Anything of value" means any goods that have a certain utility to the recipient that is real and that is ordinarily not given away free but is purchased.

(4) "Application for voter registration" means a voter registration form prescribed by the secretary of state that is completed and signed by an elector, submitted to the election administrator, and contains voter registration information subject to verification as provided by law.

(5) "Ballot" means a paper ballot counted manually or a paper ballot counted by a machine, such as an optical scan system or other technology that automatically tabulates votes cast by processing the paper ballots.

(6) "Candidate" means:

(a) an individual who has filed a declaration or petition for nomination, acceptance of nomination, or appointment as a candidate for public office as required by law;

(b) for the purposes of chapter 35, 36, or 37, an individual who has solicited or received and retained contributions, made expenditures, or given consent to an

individual, organization, political party, or committee to solicit or receive and retain contributions or make expenditures on the individual's behalf to secure nomination or election to any office at any time, whether or not the office for which the individual will seek nomination or election is known when the:

- (i) solicitation is made;
- (ii) contribution is received and retained; or
- (iii) expenditure is made; or
- (c) an officeholder who is the subject of a recall

election.

(7) (a) "Contribution" means:

(i) an advance, gift, loan, conveyance, deposit, payment, or distribution of money or anything of value to influence an election;

(ii) a transfer of funds between political committees;

(iii) the payment by a person other than a candidate or political committee of compensation for the personal services of another person that are rendered to a candidate or political committee.

(b) "Contribution" does not mean:

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee or meals and lodging provided by individuals in their private residences for a candidate or other individual;

(ii) the cost of any bona fide news story, commentary, or editorial distributed through the facilities of any broadcasting

station, newspaper, magazine, or other periodical publication of general circulation;

(iii) the cost of any communication by any membership organization or corporation to its members or stockholders or employees; or

(iv) filing fees paid by the candidate.

(8) "Election" means a general, ~~regular~~, special, or primary election held pursuant to the requirements of state law, regardless of the time or purpose.

(9) "Election administrator" means the county clerk and recorder or the individual designated by a county governing body to be responsible for all election administration duties, except that with regard to school elections not administered by the county, the term means the school district clerk.

(10) "Elector" means an individual qualified to vote under state law.

(11) (a) "Expenditure" means a purchase, payment, distribution, loan, advance, promise, pledge, or gift of money or anything of value made for the purpose of influencing the results of an election.

(b) "Expenditure" does not mean:

(i) services, food, or lodging provided in a manner that they are not contributions under subsection (7);

(ii) payments by a candidate for a filing fee or for personal travel expenses, food, clothing, lodging, or personal necessities for the candidate and the candidate's family;

(iii) the cost of any bona fide news story, commentary, or

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editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or

(iv) the cost of any communication by any membership organization or corporation to its members or stockholders or employees.

(12) "Federal election" means ~~a general or primary~~ an election in even-numbered years in which an elector may vote for individuals for the office of president of the United States or for the United States congress.

(13) "General election" ~~or "regular election"~~ means ~~an election held for the election of public officers throughout the state at times specified by law, including elections for officers of political subdivisions when the time of the election is set on the same date for all similar political subdivisions in the state. For ballot issues required by Article III, section 6, or Article XIV, section 8, of the Montana constitution to be submitted by the legislature to the electors at a general election,~~ "general election" means an election held at the time provided in 13-1-104(1). ~~For ballot issues required by Article XIV, section 9, of the Montana constitution to be submitted as a constitutional initiative at a regular election, regular election~~ means an election held at the time provided in 13-1-104(1) means an election held for offices that first appeared on a primary election ballot and held on a day specified in 13-1-104.

(14) "Inactive elector" means an individual who failed to respond to confirmation notices and whose name was placed on the

inactive list pursuant to 13-2-220 or 13-19-313.

(15) "Inactive list" means a list of inactive electors maintained pursuant to 13-2-220 or 13-19-313.

(16) "Individual" means a human being.

(17) (a) "Issue" or "ballot issue" means a proposal submitted to the people at an election for their approval or rejection, including but not limited to initiatives, referenda, proposed constitutional amendments, recall questions, school levy questions, bond issue questions, or a ballot question.

(b) For the purposes of chapters 35 and 37, an issue becomes a "ballot issue" upon certification by the proper official that the legal procedure necessary for its qualification and placement upon the ballot has been completed, except that a statewide issue becomes a "ballot issue" upon preparation and transmission by the secretary of state of the form of the petition or referral to the person who submitted the proposed issue.

(18) "Legally registered elector" means an individual whose application for voter registration was accepted, processed, and verified as provided by law.

(19) "Mail ballot election" means any election that is conducted under Title 13, chapter 19, by mailing ballots to all active electors.

(20) "Person" means an individual, corporation, association, firm, partnership, cooperative, committee, club, union, or other organization or group of individuals or a candidate as defined in subsection (6).

(21) "Place of deposit" means a location designated by the election administrator pursuant to 13-19-307 for a mail ballot election conducted under Title 13, chapter 19.

(22) "Political committee" means a combination of two or more individuals or a person other than an individual who makes a contribution or expenditure:

(a) to support or oppose a candidate or a committee organized to support or oppose a candidate or a petition for nomination; or

(b) to support or oppose a ballot issue or a committee organized to support or oppose a ballot issue; or

(c) as an earmarked contribution.

(23) "Political subdivision" means a county, consolidated municipal-county government, municipality, special purpose district, or any other unit of government, except school districts, having authority to hold an election ~~for officers or on a ballot issue~~.

(24) "Polling place election" means an election primarily conducted at polling places rather than by mail under the provisions of Title 13, chapter 19.

(25) "Primary" or "primary election" means an election ~~held throughout the state to nominate candidates for public office at times specified by law, including nominations of candidates for offices of political subdivisions when the time for nominations is set on the same date for all similar subdivisions in the state~~ held on a day specified in 13-1-107 to nominate candidates for offices filled at a general election.

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(26) "Provisional ballot" means a ballot cast by an elector whose identity or eligibility to vote has not been verified as provided by law.

(27) "Provisionally registered elector" means an individual whose application for voter registration was accepted but whose identity or eligibility has not yet been verified as provided by law.

(28) "Public office" means a state, county, municipal, school, or other district office that is filled by the people at an election.

(29) "Random-sample audit" means an audit involving a manual count of ballots from designated races and ballot issues in precincts selected through a random process as provided in 13-17-503.

(30) "Registrar" means the county election administrator and any regularly appointed deputy or assistant election administrator.

(31) "Regular school election" means the school trustee election provided for in 20-20-105(1).

(32) "School election" has the meaning provided in 20-20-101.

~~(32)~~(33) "School election filing officer" means the filing officer with whom the declarations for nomination for school district office were filed or with whom the school ballot issue was filed.

~~(33)~~(34) "School recount board" means the board authorized pursuant to 20-20-420 to perform recount duties in school

elections.

~~(34)~~(35) "Signature envelope" means an envelope that contains a secrecy envelope and ballot and that is designed to:

(a) allow election officials, upon examination of the outside of the envelope, to determine that the ballot is being submitted by someone who is in fact a qualified elector and who has not already voted; and

(b) allow it to be used in the United States mail.

~~(35)~~(36) "Special election" means an election held on a day other than the day specified for a statutorily scheduled primary or election, general election, or regular school election held at any time for any purpose provided by law. It may be held in conjunction with a statutorily scheduled election.

~~(36)~~(37) "Special purpose district" means an area with special boundaries created as authorized by law for a specialized and limited purpose.

~~(37)~~(38) "Statewide voter registration list" means the voter registration list established and maintained pursuant to 13-2-107 and 13-2-108.

~~(37)~~(39) "Transfer form" means a form prescribed by the secretary of state that may be filled out by an elector to transfer the elector's registration when the elector's residence address has changed within the county.

~~(38)~~(40) "Valid vote" means a vote that has been counted as valid or determined to be valid as provided in 13-15-206.

~~(39)~~(41) "Voted ballot" means a ballot that is:

(a) deposited in the ballot box at a polling place;

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- (b) received at the election administrator's office; or
- (c) returned to a place of deposit.

~~(40)~~(42) "Voting system" or "system" means any machine, device, technology, or equipment used to automatically record, tabulate, or process the vote of an elector cast on a paper ballot."

{*Internal References to 13-1-101:*

x2-2-121	x13-27-111	x13-37-101	x13-37-219
x13-37-228	x13-37-250	x20-20-421	x70-1-522 }

Section 157. Section 13-1-104, MCA, is amended to read:

"13-1-104. Times for holding general elections. (1) ~~(a)~~

~~Except as provided in subsection (1)(b), a general election must be held throughout the state in every even-numbered year on the first Tuesday after the first Monday of November to vote on ballot issues required by Article III, section 6, or Article XIV, section 8, of the Montana constitution to be submitted by the legislature to the electors at a general election and to elect federal officers, state or multicounty district officers, members of the legislature, judges of the district court, and county officers when the terms of the offices will expire before the next scheduled election for the offices or when one of the offices must be filled for an unexpired term as provided by law.~~

~~(b) A special election may be held on an earlier date provided in a law authorizing a special statewide election on an initiative or referendum pursuant to Article III, section 6, of the Montana constitution.~~

~~(2) A general election must be held throughout the state in~~

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~~every odd-numbered year on the first Tuesday after the first Monday in November to elect municipal officers, officers of political subdivisions wholly within one county and not required to hold annual elections, and any other officers specified by law for election in odd-numbered years when the term for the offices will expire before the next scheduled election for the offices or when one of the offices must be filled for an unexpired term as provided by law.~~

~~—— (3) The general election for any political subdivision, other than a municipality, required to hold elections annually must be held on school election day, the first Tuesday after the first Monday of May of each year, and is subject to the election procedures provided for in 13-1-401.~~

~~—— (4) The general election for a municipality required to hold elections annually may be held either on school election day, as provided in subsection (3), or on the first Tuesday after the first Monday in November, at the discretion of the governing body. A general election shall be held throughout the state on the first Tuesday after the first Monday in November.~~

(2) In every even-numbered year, the following elections must be held on general election day:

(a) an election on any ballot issue submitted to electors pursuant to Article III, section 6, unless the legislature orders a special election, or Article XIV, section 8, of the Montana constitution;

(b) an election of federal officers, members of the legislature, state officers, multi-county district officers

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elected at a statewide election, district court judges, and county officers;

(c) any other election specified by law to be held on the same day as the general election in even-numbered years.

(3) In every odd-numbered year, the following elections shall be held on the same day as the general election:

(a) an election of officers for municipalities; and

(b) any other election specified by law to be held on general election day in odd-numbered years."

{*Internal References to 13-1-104:*

<i>x3-6-201</i>	<i>a7-6-1544</i>	<i>a7-6-1544</i>	<i>a7-6-1546</i>
<i>r7-13-2236</i>	<i>a7-14-1106</i>	<i>a7-33-2106</i>	<i>a7-34-2117</i>
<i>a13-1-101</i>	<i>a13-1-101</i>	<i>a13-1-106</i>	<i>a13-1-107</i>
<i>a13-1-107</i>	<i>a13-1-107</i>	<i>a13-1-301</i>	<i>a13-1-401</i>
<i>a13-1-401</i>	<i>a13-1-401</i>	<i>a13-3-202</i>	<i>a13-10-201</i>
<i>a13-10-325</i>	<i>a13-10-326</i>	<i>a13-13-205</i>	<i>a13-13-205</i>
<i>a13-35-107</i>	<i>a20-20-106</i>	<i>a85-7-1702</i>	<i>a85-8-302</i> }

Section 158. Section 13-1-106, MCA, is amended to read:

"13-1-106. Time of opening and closing of polls for all elections -- exceptions. (1) Except as provided in subsections (2) and (3), polling places must be open from 7 a.m. to 8 p.m.

(2) A polling place having fewer than 400 registered electors must be open from at least noon to 8 p.m. or until all registered electors in any precinct have voted, at which time that precinct in the polling place must be closed immediately.

(3) If an election ~~held under 13-1-104(3) and~~ is held on the same day as a school election ~~are and is~~ conducted in the same polling place, the polling place must be opened and closed at the times set for the school election, as provided in

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20-20-106."

{*Internal References to 13-1-106:*
x13-19-307 }

Section 159. Section 13-1-107, MCA, is amended to read:

"13-1-107. Times for holding primary elections -- cost of municipal election. (1) On the first Tuesday after the first Monday in June preceding ~~the~~ an even-numbered year general election ~~provided for in 13-1-104(1)~~, a primary election shall be held throughout the state.

(2) On the Tuesday following the second Monday in September preceding ~~the~~ an odd-numbered year general election ~~provided for in 13-1-104(2)~~, a primary election, if required, shall be held throughout the state.

(3) ~~If the general election for a municipality required to hold annual elections is held in November, as provided in 13-1-104(4), a primary election, if required, shall be held on the Tuesday following the second Monday in September. In an even-numbered year, the cost of this~~ a municipal election held on the same day as the primary election must be paid by the municipality."

{*Internal References to 13-1-107:*
a3-1-1013 *a13-3-202* *a13-10-201* *a13-10-208*
a13-10-209 *a13-10-325* *a13-10-326* *x13-10-401*
a13-13-205 *a13-13-205* *a13-14-115* *a13-35-107*
a13-37-126 *a13-37-126* }

Section 160. Section 13-1-108, MCA, is amended to read:

"13-1-108. Notice of special political subdivision

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~~elections. Notice of any special election must be broadcast or published at least three times in the 4 weeks immediately preceding the election~~ (1) An election administrator conducting a political subdivision or school district election shall give notice of the election at least three times, except as provided in subsection (2), no earlier than 40 days and no later than 10 days before the election by publishing an election notice in a newspaper of general circulation in the jurisdiction where the election will be held or ~~may be broadcast~~ by broadcasting an election notice on radio or television as provided in 2-3-105 through 2-3-107 using the method the election administrator believes is best suited to reach the largest number of potential electors. The provisions of this ~~section~~ subsection (1) are fulfilled upon the third publication or broadcast of the notice.

(2) If the newspaper of general circulation within a political subdivision or school district is a weekly newspaper, the notice may be published only two times and the provisions of this subsection (2) are fulfilled up on the second publication of the notice.

(3) With respect to school elections, notice must also be provided as specified in 20-20-204.

(4) With respect to an election on the creation or dissolution of a special purpose district or the alteration of a special purpose district's boundaries, the notice must include a specific description of the proposed boundaries or the proposed change to the boundaries."

{Internal References to 13-1-108:

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r7-2-4105	r7-2-4603	r7-2-4903	a7-3-1205
a7-3-1208	x7-4-2106	a7-5-4322	a7-6-1536
a7-7-2229	a7-7-4227	a7-10-104	a7-13-2210
a7-13-2273	a7-13-2324 }		

Section 161. Section 13-1-301, MCA, is amended to read:

"13-1-301. Election administrator. (1) The county clerk and recorder of each county is the election administrator unless the governing body of the county designates another official or appoints an election administrator.

(2) The election administrator is responsible for the administration of all procedures relating to registration of electors and conduct of elections, shall keep all county records relating to elector registration and elections, and is the primary point of contact for the county with respect to the statewide voter registration list and implementation of other provisions of applicable federal law governing elections.

(3) The election administrator may appoint a deputy election administrator for each political subdivision required to hold ~~annual elections under the provisions of 13-1-104(3). Each election administrator or deputy election administrator is responsible for the conduct of the annual elections of the political subdivision, as provided by 13-1-401.~~"

{*Internal References to 13-1-301:*
a13-1-401 }

Section 162. Section 13-1-401, MCA, is amended to read:

~~"13-1-401. Manner of conducting general elections for political subdivisions required to hold annual elections~~ School

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district and political subdivision election cooperation. ~~(1)~~ Any political subdivision ~~required to hold annual elections under 13-1-104(3)~~ may holding a polling place election on the same day as a regular school election shall cooperate with a school districts district having similar district boundaries to hold the election at the same ~~location~~ polling place. The election administrator ~~or deputy election administrator~~ appointed under the provisions of 13-1-301 shall cooperate with the school district election administrator to share costs, as provided in 13-1-302.

~~(2)~~ A political subdivision subject to 13-1-104(3) may, with the consent of the election administrator or deputy election administrator, conduct its annual election at an annual meeting of the political subdivision or at another convenient location within the political subdivision.

~~(3)~~ A political subdivision election subject to 13-1-104(3) may be conducted by mail ballot as provided in Title 13, chapter 19.

~~(4)~~ The election administrator or deputy election administrator conducting an election under the provisions of subsection (1), (2), or (3) shall give notice of the election not less than 20 days or more than 40 days before the day of the election by display advertisement at least two times in a newspaper of general circulation within the political subdivision. The election administrator or deputy election administrator may notify the public of the election by additional posting of notices or radio and television announcements."

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{*Internal References to 13-1-401:*

<i>a7-14-1106</i>	<i>a7-33-2106</i>	<i>a7-34-2117</i>	<i>a13-1-104</i>
<i>a13-1-301</i>	<i>a85-7-1702</i>	<i>a85-7-1702</i>	<i>a85-7-1702</i>
<i>a85-8-302</i>	<i>a85-8-624</i>	<i>a85-8-624</i>	<i>a85-8-624</i>
<i>a85-8-624</i>	}		

Section 163. Section 13-2-304, MCA, is amended to read:

**"13-2-304. Late registration -- late changes --
~~nonapplicability for school elections.~~** (1) Except as provided in subsections (2) and (3), the following provisions apply:

(a) An elector may register or change the elector's voter registration information after the close of regular registration in 13-2-301 and vote in the election if the election administrator in the county where the elector resides receives and verifies the elector's voter registration information prior to the close of the polls on election day.

(b) Late registration is closed from noon to 5 p.m. on the day before the election.

(c) Except as provided in 13-2-514(2)(a), an elector who registers or changes the elector's voter information pursuant to this section may vote in the election only if the elector obtains the ballot from and returns it to the location designated by the county election administrator.

(2) If an elector has already been issued a ballot for the election, the elector may change the elector's voter registration information only if the original voted ballot has not been received at the county election office and if the original ballot that was issued is marked by the issuing county as void in the statewide voter registration system prior to the change.

~~(3) The provisions of subsection (1) do not apply with respect to an elector's registration to vote in a school election held pursuant to Title 20 [unless the county election administrator is conducting the school election and an election other than a school election on the same day]. (Bracketed language void on occurrence of contingency--sec. 64, Ch. 336, L. 2013.)"~~

{Internal References to 13-2-304:

x13-2-301 x13-2-301 x13-2-514 x13-19-207
x13-19-207 x13-19-303 x13-21-104 }

Section 164. Section 13-3-202, MCA, is amended to read:

"13-3-202. Definitions. As used in this part, unless the context indicates otherwise, the following definitions apply:

(1) "Accessible" means accessible to individuals with disabilities and elderly individuals for purposes of voting as determined in accordance with standards established by the secretary of state under 13-3-205.

(2) "Disability" means a temporary or permanent physical impairment such as:

(a) impaired vision;

(b) impaired hearing; or

(c) impaired mobility. Individuals having impaired mobility include those who require use of a wheelchair and those who are ambulatory but are physically impaired because of age, disability, or disease.

(3) "Elderly" means 65 years of age or older.

(4) "Election" means a general, special, or primary

election held in an even-numbered year, ~~as provided for in 13-1-104(1) and 13-1-107(1).~~

(5) "Inaccessible" means not accessible under standards adopted pursuant to 13-3-205.

(6) "Rural polling place" means a location that is expected to serve less than 200 registered electors."

{*Internal References to 13-3-202: None.*}

Section 165. Section 13-10-201, MCA, is amended to read:

"13-10-201. Declaration for nomination -- term limitations.

(1) Each candidate in the primary election, except nonpartisan candidates filing under the provisions of Title 13, chapter 14, shall file a declaration for nomination with the secretary of state or election administrator. Except for a candidate who files under 13-38-201, a candidate may not file for more than one public office. Each candidate for governor shall file a joint declaration for nomination with a candidate for lieutenant governor.

(2) A declaration for nomination must be filed in the office of:

(a) the secretary of state for placement of a name on the ballot for the presidential preference primary, a congressional office, a state or district office to be voted for in more than one county, a member of the legislature, or a judge of the district court;

(b) the election administrator for a county, municipal, precinct, or district office (other than a member of the

legislature or judge of the district court) to be voted for in only one county.

(3) Each candidate shall sign the declaration and send with it the required filing fee or, in the case of an indigent candidate, send with it the documents required by 13-10-203. Unless filed electronically with the secretary of state, the declaration for nomination must be acknowledged by an officer empowered to acknowledge signatures or by the officer of the office at which the filing is made.

(4) The declaration for nomination must include an oath of the candidate that includes wording substantially as follows: "I hereby affirm that I possess, or will possess within constitutional and statutory deadlines, the qualifications prescribed by the Montana constitution and the laws of the United States and the state of Montana." The candidate affirmation included in this oath is presumed to be valid unless proven otherwise in a court of law.

(5) The declaration, when filed, is conclusive evidence that the elector is a candidate for nomination by the elector's party. For a partisan election, an elector may not file a declaration for more than one party's nomination.

(6) (a) The declaration for nomination must be in the form and contain the information prescribed by the secretary of state.

(b) A person seeking nomination to the legislature shall provide the secretary of state with a street address, legal description, or road designation to indicate the person's place of residence. If a candidate for the legislature changes

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residence, the candidate shall, within 15 days after the change, notify the secretary of state on a form prescribed by the secretary of state.

(c) The secretary of state and election administrator shall furnish declaration for nomination forms to individuals requesting them.

(7) ~~(a)~~ Except as provided in 13-10-211 ~~and subsection (7)(b) of this section~~, a candidate's declaration for nomination must be filed no sooner than ~~135~~ 145 days before the election in which the office first appears on the ballot and no later than 5 p.m., ~~75~~ 85 days before the date of the primary election.

~~(b) For an election held pursuant to 13-1-104(1)(a) or 13-1-107(1) or for a political subdivision that holds an election on the date of either of those elections, a candidate's declaration for nomination must be filed no sooner than 145 days before the election in which the office first appears on the ballot and no later than 5 p.m., 85 days before the date of the primary election.~~

(8) A properly completed and signed declaration for nomination form may be sent by facsimile transmission, electronically mailed, delivered in person, or mailed to the election administrator or to the secretary of state.

(9) For the purposes of implementing Article IV, section 8, of the Montana constitution, the secretary of state shall apply the following conditions:

(a) A term of office for an official serving in the office or a candidate seeking the office is considered to begin on

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January 1 of the term for which the official is elected or for which the candidate seeks election and end on December 31 of the term for which the official is elected or for which the candidate seeks election.

(b) A year is considered to start on January 1 and end on the following December 31.

(c) "Current term", as used in Article IV, section 8, of the Montana constitution, has the meaning provided in 2-16-214."

{*Internal References to 13-10-201:*

x13-10-203	x13-10-211	x13-10-404	x13-10-404
a13-10-405	a13-10-405	a13-14-112	a13-14-112
a13-14-113	}		

Section 166. Section 13-10-208, MCA, is amended to read:

"13-10-208. Certificate of primary ballot -- preparing ballot. (1) ~~Not more than 85 days and not less than 75 days before the date of the primary election~~ Within 10 days after the close of candidate filing under 13-10-201(7), the secretary of state shall certify to the election administrators the names and designations of candidates, except as provided in 13-37-126, and any ballot issues as shown in the official records of the secretary of state's office in the manner provided in 13-10-209 and Title 13, chapter 12, part 2.

(2) (a) ~~Except as provided in subsection (2)(b), not more than 67 days and not less than 62 days before the date of the primary election~~ Within 10 days after the secretary of state's ballot certification under subsection (1), the county election administrator shall certify the names and designations of

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candidates, except as provided in 13-37-126, and any ballot issues as shown in the official record of the county election administrator's office and must have the official ballots prepared in the manner provided in 13-10-209 and Title 13, chapter 12, part 2.

~~(b) For a primary election conducted pursuant to 13-1-107(1), the election administrator shall, not more than 75 days and not less than 70 days before the date of the primary election, certify the names and designations of candidates, except as provided in 13-37-126, and any ballot issues as shown in the official record of the election administrator's office and must have the official ballots prepared in the manner provided in 13-10-209 and Title 13, chapter 12, part 2.~~

(3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana constitution to seek the office for which the candidate has filed because the candidate has changed residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as provided in 13-10-325."

{*Internal References to 13-10-208:*
a13-37-126 a13-37-126 }

Section 167. Section 13-10-209, MCA, is amended to read:

"13-10-209. Arrangement and preparing of primary ballots.

(1) (a) Ballots for a primary election must be arranged and prepared in the same manner and number as provided in chapter 12 for general election ballots, except that there must be separate

ballots for each political party entitled to participate. The name of the political party must appear at the top of the separate ballot for that party and need not appear with each candidate's name.

(b) Nonpartisan offices and ballot issues may be prepared on separate ballots or may appear on the same ballot as partisan offices if:

(i) each section is clearly identified as separate; and

(ii) the nonpartisan offices and ballot issues appear on each party's ballot.

(2) Except as provided in subsection (3), an election administrator does not need to prepare a primary ballot for a political party if:

(a) the party does not have candidates for more than half of the offices to appear on the ballot; and

(b) no more than one candidate files for nomination by that party for any of the offices to appear on the ballot.

(3) Subsection (2) does not apply to elections for precinct committee offices. If more than one candidate files for a precinct committee office from a party that will not have a primary ballot prepared, that party shall select the candidate to fill the office.

(4) If, pursuant to subsection (2), in ~~a~~ an even-year primary election ~~held under 13-1-107(1)~~ a primary ballot for a political party is not prepared, the secretary of state shall certify that a primary election is unnecessary for that party and shall instruct the election administrator to certify the names of

the candidates for that party for the general election ballot only.

(5) The separate ballots for each party must have the same appearance. Each set of party ballots must bear the same number. If prepared as a separate ballot, the nonpartisan ballot may have a different appearance than the party ballots but must be numbered in the same order as the party ballots.

(6) If a ballot issue is to be voted on at a primary election, it may be placed on the nonpartisan ballot or a separate ballot. A separate ballot may have a different appearance than the other ballots in the election but must be numbered in the same order.

(7) Each elector must receive a set of ballots that includes the party, nonpartisan, and ballot issue choices."

{Internal References to 13-10-209:

a13-10-208 a13-10-208 a13-10-208 x13-12-203
x13-14-115 }

Section 168. Section 13-10-211, MCA, is amended to read:

"13-10-211. Declaration of intent for write-in candidates.

(1) Except as provided in subsection (8), a person seeking to become a write-in candidate for an office in any election shall file a declaration of intent. Except for a candidate who files under 13-38-201, a candidate may not file for more than one public office. The declaration of intent must be filed with the secretary of state or election administrator, depending on where a declaration of nomination for the desired office is required to be filed under 13-10-201, or with the school district clerk for a

school district office. When a county election administrator is conducting the election for a school district, the school district clerk or school district office that receives the declaration of intent shall notify the county election administrator of the filing. Except as provided in subsections (2) and (3), the declaration must be filed no later than 5 p.m. on the 10th day before the date established under 13-13-205 on which a ballot must be available for absentee voting for the election and must contain:

(a) (i) the candidate's first and last names;

(ii) the candidate's initials, if any, used instead of a first name, or first and middle name, and the candidate's last name;

(iii) the candidate's nickname, if any, used instead of a first name, and the candidate's last name; and

(iv) a derivative or diminutive name, if any, used instead of a first name, and the candidate's last name;

(b) the candidate's mailing address;

(c) a statement declaring the candidate's intention to be a write-in candidate;

(d) the title of the office sought;

(e) the date of the election;

(f) the date of the declaration; and

(g) the candidate's signature.

(2) A declaration of intent may be filed after the deadline provided for in subsection (1) but no later than 5 p.m. on the day before the election if, after the deadline prescribed in

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subsection (1), a candidate for the office that the write-in candidate is seeking dies or is charged with a felony offense and if the election has not been canceled as provided by law.

~~(3) A person seeking to become a write-in candidate in a mail ballot election or for a trustee position in a school board election shall file a declaration of intent no later than 5 p.m. on the 26th day before the election.~~

~~(4)~~ The secretary of state shall notify each election administrator of the names of write-in candidates who have filed a declaration of intent with the secretary of state. Each election administrator and ~~school district clerk shall notify~~ the election judges in the county or district of the names of write-in candidates who have filed a declaration of intent.

~~(5)~~(4) A properly completed and signed declaration of intent may be provided to the election administrator or secretary of state:

- (a) by facsimile transmission;
- (b) in person;
- (c) by mail; or
- (d) by electronic mail.

~~(6)~~(5) A declaration is not valid until the filing fee required pursuant to 13-10-202 is received by the secretary of state or the election administrator.

~~(7)~~(6) A write-in candidate who files a declaration of intent for a general election may not file with a partisan, nonpartisan, or independent designation.

~~(8)~~(7) Except as provided in 13-38-201(5), the requirements

in subsection (1) do not apply if:

(a) an election is held;

(b) a person's name is written in on the ballot;

(c) the person is qualified for and seeks election to the office for which the person's name was written in; and

(d) no other candidate has filed a declaration or petition for nomination or a declaration of intent."

{Internal References to 13-10-211:

a13-10-201	x13-10-204	x13-15-206	a13-15-206
x13-38-201	a20-3-313	}	

Section 169. Section 13-10-325, MCA, is amended to read:

"13-10-325. Withdrawal from nomination. (1) (a) A candidate for nomination or candidate for election to an office may withdraw from the election by sending a statement of withdrawal to the officer with whom the candidate's declaration, petition, or acceptance of nomination was filed. The statement must contain all information necessary to identify the candidate and the office sought. Unless filed electronically with the secretary of state, the statement of withdrawal from nomination must be acknowledged by an officer empowered to acknowledge signatures or by the officer of the office at which the filing is made.

(b) Except as provided in subsection (1)(c), a candidate may not withdraw ~~later than 85 days before a general election or 75 days before a primary election.~~

~~— (c) A candidate may not withdraw later than 85 days before a general election conducted pursuant to 13-1-104(1)(a) or a primary election conducted pursuant to 13-1-107(1) after the~~

ballot has been certified pursuant to 13-10-208.

(2) Filing fees paid by the candidate may not be refunded."

{*Internal References to 13-10-325:*
x13-10-208 x13-12-201 }

Section 170. Section 13-10-326, MCA, is amended to read:

"13-10-326. Vacancy prior to primary election. (1) ~~Except as provided in subsection (2):~~

~~——(a) if~~ If a candidate for nomination for a partisan office dies or withdraws ~~75 days or more before the primary election before the ballot has been certified under 13-10-208,~~ the affected political party may appoint someone to replace the candidate by the procedure provided in 13-10-327; or

~~(b) if~~ (2) Except as provided in subsection (3), if a candidate for nomination for a partisan office dies ~~less than 75 days before the primary election~~ after the ballot has been certified under 13-10-208, the affected political party shall appoint a candidate after the primary election as provided in 13-10-327 if a candidate for that office for that party was not nominated at the primary election.

~~(2) For an election conducted pursuant to 13-1-104(1)(a) or 13-1-107(1):~~

~~——(a) if a candidate for nomination for a partisan office dies or withdraws 85 days or more before the primary election, the affected political party may appoint someone to replace the candidate by the procedure provided in 13-10-327; or~~

~~——(b) if a candidate for nomination for a partisan office~~

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~~dies less than 85 days before the primary election, the affected political party shall appoint a candidate after the primary election as provided in 13-10-327 if a candidate for that office for that party was not nominated at the primary election.~~

(3) ~~This section does not allow a~~ A political party to may not appoint a candidate for an office if no candidate for nomination by that party filed for the office before the primary election."

{*Internal References to 13-10-326:*
x5-2-402 x13-12-204 }

Section 171. Section 13-10-405, MCA, is amended to read:

"13-10-405. Submission and verification of petition.

Petitions of nomination for the presidential preference primary election and the affidavits of circulation required by 13-27-302 must be presented to the election administrator of the county in which the signatures are gathered at least 1 week before the primary election filing deadline prescribed in 13-10-201(7)(~~b~~). A filing fee is not required. The election administrator shall verify the signatures in the manner prescribed in 13-27-303 through 13-27-308 and must forward the petitions to the secretary of state by the filing deadline prescribed in 13-10-201(7)(~~b~~)."

{*Internal References to 13-10-405: None.*}

Section 172. Section 13-12-201, MCA, is amended to read:

"13-12-201. Secretary of state to certify ballot. (1)

Seventy-five days or more before ~~a federal general~~ any statewide

election, the secretary of state shall certify to the election administrators the name and party or other designation of each candidate entitled to appear on the ballot and the ballot issues as shown in the official records of the secretary of state's office, which must include the notification specified in 13-37-126.

(2) The election administrator shall certify the name and party or other designation of each candidate entitled to appear on the ballot and the ballot issues as shown in the official records of the election administrator's office, which must include the notification specified in 13-37-126, and shall have the official ballots prepared.

(3) If a candidate for the legislature is no longer eligible under Article V, section 4, of the Montana constitution to seek the office for which the candidate has filed because the candidate has changed residence, the secretary of state shall notify the candidate that the candidate is required to withdraw as provided in 13-10-325."

{*Internal References to 13-12-201:*
x13-27-316 a13-37-126 }

Section 173. Section 13-13-205, MCA, is amended to read:

"13-13-205. When ballots to be available. ~~(1) Except as provided in subsection (2), the~~ The election administrator shall ensure that ballots are available for absentee voting at least:

~~(a)(1) 30 days prior to an election for those elections held in compliance with 13-1-107(1) that is not a federal~~

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election, except as provided in subsection (2);

~~(b)(2) 20 days prior to an a special purpose district or school district election for those elections held in compliance with 13-1-104(2) and (3) and 13-1-107(2); and~~

~~(c) 30 days prior to an election held in conjunction with a federal general election in compliance with 13-1-104(1).~~

~~(2) A ballot requested pursuant to Title 13, chapter 21, must be sent to the elector as soon as the ballot is printed or at least~~

~~(3) pursuant to 13-21-224, 45 days in advance of an election held in conjunction with a federal primary election, federal general election, or federal special election a federal election."~~

{Internal References to 13-13-205:

x13-10-211	x13-13-213	x13-13-213	x13-13-214
x13-13-222	x13-21-104	x13-21-206	}

Section 174. Section 13-14-112, MCA, is amended to read:

"13-14-112. Declarations for nomination -- fee -- filing.

(1) Nonpartisan candidates shall file declarations for nomination as required by the primary election laws in a form prescribed by the secretary of state except as provided in 13-14-113. A candidate may not file for more than one public office.

(2) Declarations may not indicate political affiliation. The candidate may not state in the declaration any principles or measures that the candidate advocates or any slogans.

(3) Each individual filing a declaration shall pay the fee prescribed by law for the office that the individual seeks.

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(4) Declarations must be filed:

(a) in the office of the secretary of state or the appropriate election administrator as provided in 13-10-201; and

(b) within the ~~applicable~~ filing period provided in 13-10-201(7)(~~a~~) or (7)(~~b~~) for the office that the individual seeks."

{*Internal References to 13-14-112: None.*}

Section 175. Section 13-14-113, MCA, is amended to read:

"13-14-113. Filing for offices without salary or fees. (1) Candidates for nonpartisan offices for which a salary or fees are not paid shall file with the appropriate official a petition for nomination or a declaration for nomination containing the information and the oath of the candidate required for a declaration of nomination in a form prescribed by the secretary of state.

(2) Petitions for nomination or declarations for nomination must be filed within the ~~applicable~~ filing period provided in 13-10-201(7)(~~a~~) or (7)(~~b~~).

(3) A candidate may not file for more than one public office."

{*Internal References to 13-14-113:
x7-14-214 a13-14-112* }

Section 176. Section 13-14-115, MCA, is amended to read:

"13-14-115. Preparation and distribution of nonpartisan primary ballots -- determination on conducting primary. (1) The

election administrators shall arrange, prepare, and distribute primary ballots for nonpartisan offices, designated "nonpartisan primary ballots". The ballots must be arranged and prepared as provided in 13-10-209 and be without political designation.

(2) (a) The election administrator of a political subdivision may determine that a local nonpartisan portion of a primary election need not be held if:

(i) the number of candidates for an office exceeds three times the number to be elected to that office in no more than one-half of the offices on the ballot; and

(ii) the number of candidates in excess of three times the number to be elected is not more than one for any office on the ballot.

(b) If the election administrator determines that a municipal primary election ~~held pursuant to 13-1-107(2)~~ must be held pursuant to subsection (2)(a) of this section for a local nonpartisan office, the election administrator shall conduct the election only for the local nonpartisan offices that have candidates filed in excess of two times the number to be elected to that office.

(c) If the election administrator determines that a primary election need not be held pursuant to subsection (2)(a) or (2)(b) for a local nonpartisan office, the administrator shall give notice to the governing body that a primary election will not be held for that office.

(3) The governing body may require that a primary election be held for a local nonpartisan office if it passes a resolution

not more than 10 days after the close of filing by candidates for election stating that a primary election must be held for that office."

{*Internal References to 13-14-115:*
x13-14-117 }

Section 177. Section 13-15-206, MCA, is amended to read:

"13-15-206. Counting votes -- uniformity -- rulemaking -- definitions. (1) When conducting vote counts as provided by law, a counting board, absentee ballot counting board, or recount board shall count and determine the validity of each vote in a uniform manner as provided in this section.

(2) A manual count or recount of votes must be conducted as follows:

(a) One election judge on the board shall read the ballot while the two other judges on the board shall each record on an official tally sheet the number of valid votes cast for each individual or ballot issue. Write-in votes must be counted in accordance with subsection (5) and rules adopted pursuant to subsection (7). If a vote has not been cast according to instructions, the vote must be considered questionable and the entire ballot must be set aside and votes on the ballot must be handled as provided in subsection (4).

(b) (i) After the vote count is complete, the tally sheets of the two judges recording the votes must be compared.

(ii) If the two tallies match, the judges shall record in the official results records:

(A) the names of all individuals who received votes;
(B) the offices for which individuals received votes;
(C) the total votes received by each individual as shown by the tally sheets; and

(D) the total votes received for or against each ballot issue, if any.

(iii) If the tallies do not match, the count must be conducted again as provided in this subsection (2) until the two tallies match.

(3) (a) When a voting system is counting votes:

(i) if a vote is recognized and counted by the system, it is a valid vote;

(ii) if a vote is not recognized and counted by the system, it is not a valid vote;

(iii) write-in votes must be counted in accordance with rules adopted pursuant to subsection (7).

(b) If the voting system cannot process the ballot because of the ballot's condition or if the voting system registers an unmarked ballot or an overvote, which must be considered a questionable vote, the entire ballot must be set aside and the votes on the ballot must be counted as provided in subsection (4).

(c) If an election administrator or counting board has reason to believe that a voting system is not functioning correctly, the election administrator shall follow the procedures prescribed in 13-15-209.

(d) After all valid votes have been counted and totaled,

the judges shall record in the official results records the information specified in subsection (2)(b)(ii).

(4) (a) (i) Before being counted, each questionable vote on a ballot set aside under subsection (2)(a) or (3)(b) must be reviewed by the counting board. The counting board shall evaluate each questionable vote according to rules adopted by the secretary of state.

(ii) If a majority of the counting board members agree that under the rules the voter's intent can be clearly determined, the vote is valid and must be counted according to the voter's intent.

(iii) If a majority of the counting board members do not agree that the voter's intent can be clearly determined under the rules, the vote is not valid and may not be counted.

(b) If a ballot was set aside under subsection (3)(b) because it could not be processed by the voting system due to the ballot's condition, the counting board shall transfer all valid votes to a new ballot that can be processed by the voting system.

(5) A write-in vote may be counted only if:

(a) (i) the write-in vote identifies an individual by a designation filed pursuant to 13-10-211(1)(a); or

(ii) pursuant to ~~13-10-211(8)~~ 13-10-211(7), a declaration of nomination was not filed and the write-in vote identifies an individual who is qualified for the office; and

(b) the oval, box, or other designated voting area on the ballot is marked.

(6) A vote is not valid and may not be counted if the

elector's choice cannot be determined as provided in this section.

(7) The secretary of state shall adopt rules defining a valid vote and a valid write-in vote for each type of ballot and for each type of voting system used in the state. The rules must provide a sufficient guarantee that all votes are treated equally among jurisdictions using similar ballot types and voting systems.

(8) Local election administrators shall adopt policies to govern local processes that are consistent with the provisions of this title and that provide for:

- (a) the security of the counting process against fraud;
- (b) the place and time and public notice of each count or recount;
- (c) public observance of each count or recount, including observance by representatives authorized under 13-16-411;
- (d) the recording of objections to determinations on the validity of an individual vote or to the entire counting process; and
- (e) the keeping of a public record of count or recount proceedings.

(9) For purposes of this section, "overvote" means an elector's vote that has been interpreted by the voting system as an elector casting more votes than allowable for a particular office or ballot issue."

{Internal References to 13-15-206:

x13-1-101	x13-10-204	x13-10-302	x13-15-111
x13-15-207	x13-15-207	x13-15-209	x13-16-303

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x13-16-412 x13-17-211 x13-17-503 x13-38-201 }

Section 178. Section 13-19-207, MCA, is amended to read:

"13-19-207. When materials to be mailed. (1) Except as provided in 13-13-205(2) and subsection (2), for any election conducted by mail, ballots must be mailed no sooner than the 25th day and no later than the 15th day before election day.

(2) (a) All ballots mailed to electors on the active list and provisionally registered list must be mailed the same day.

(b) At any time before noon on the day before election day, a ballot may be mailed or, upon request, provided in person at the election administrator's office to:

(i) an elector on the inactive list after the elector reactivates the elector's registration as provided in 13-2-222; or

(ii) an individual who registers under the late registration option provided for in 13-2-304.

(c) An elector on the inactive list shall vote at the election administrator's office on election day if the elector reactivates the elector's registration after noon on the day before election day.

(d) An elector who registers pursuant to 13-2-304 on election day or on the day before election day must receive the ballot and vote it at the election administrator's office."

{*Internal References to 13-19-207: None.*}

Section 179. Section 13-35-107, MCA, is amended to read:

"13-35-107. Voiding election. (1) (a) If a court finds that the violation of any provision of this title by any person probably affected the outcome of any election, the result of that election may be held void and a special election held:

~~— (i) except as provided in subsection (1)(a)(ii), within 75 days of the finding; or~~

~~— (ii) if the election was held pursuant to 13-1-104(1)(a) or 13-1-107(1), within no sooner than 85 days of after the finding, in accordance with the time periods for candidate filing established in [section 2], [section 7], and 13-10-210(7).~~

(b) If the violation occurred during a primary election, the court may direct the selection of a new candidate according to the provisions of state law relating to the filling of vacancies on the general election ballot. Except as provided in subsection (2), an action to void an election must be commenced within 1 year of the date of the election in question.

(2) An action to void a bond election must be commenced within 60 days of the date of the election in question."

{*Internal References to 13-35-107: None.*}

Section 180. Section 13-37-126, MCA, is amended to read:

"13-37-126. Names not to appear on ballot. (1) ~~The~~ If the commissioner notifies the secretary of state or the election administrator in writing that a candidate has failed to file any statement or report required by 2-2-106 or this chapter prior to the ballot certification deadline for the election pursuant to [section 3], [section 8], 13-10-201, or 20-20-401, the name of a

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candidate may not appear on the official ballot for ~~an~~ the election if the candidate or a treasurer for a candidate fails to file any statement or report as required by ~~2-2-106~~ or this chapter.

(2) A vacancy on an official ballot under this section may be filled in the manner provided by law, but not by ~~the name of~~ the same candidate.

~~(3) (a) In carrying out the mandate of this section, the commissioner shall, by a written statement, notify the secretary of state or the election administrator that a candidate or a candidate's treasurer has not complied with the provisions of this chapter, as described in subsection (1), and that a candidate's name may not appear on the official ballot.~~

~~(b) The commissioner shall provide the notification:~~

~~(i) within 8 calendar days after the earliest certification deadline provided in 13-10-208(1) for primary elections held pursuant to 13-1-107(1); or~~

~~(ii) by the earliest date specified under 13-10-208(2) for the county election administrator to certify the ballot for primary elections held pursuant to 13-1-107(2) or (3); and~~

~~(iii) by no later than 7 days before the ballot certification deadline provided in 13-12-201 for general elections."~~

{ *Internal References to 13-37-126:*

x13-10-204 x13-10-208 x13-10-208 x13-10-208
x13-12-201 x13-12-201 }

Section 181. Section 15-10-425, MCA, is amended to read:

"15-10-425. Mill levy election. (1) A county, consolidated government, incorporated city, incorporated town, school district, or other taxing entity may impose a new mill levy, increase a mill levy that is required to be submitted to the electors, or exceed the mill levy limit provided for in 15-10-420 by conducting an election as provided in this section.

(2) An election ~~conducted~~ pursuant to this section ~~may be held in conjunction with a regular or primary election or may be a special election~~ must be held on a day established in accordance with [section 4], [section 8], or Title 20 for school elections, whichever is appropriate. The governing body shall pass a resolution, shall amend its self-governing charter, or must receive a petition indicating an intent to impose a new levy, increase a mill levy, or exceed the current statutory mill levy provided for in 15-10-420 on the approval of a majority of the qualified electors voting in the election. The resolution, charter amendment, or petition must include:

(a) the specific purpose for which the additional money will be used;

(b) either:

(i) the specific amount of money to be raised and the approximate number of mills to be imposed; or

(ii) the specific number of mills to be imposed and the approximate amount of money to be raised; and

(c) whether the levy is permanent or the durational limit on the levy.

(3) Notice of the election must be prepared by the

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governing body and given as provided ~~by law~~ in 13-1-108. The form of the ballot must reflect the content of the resolution or charter amendment and must include a statement of the impact of the election on a home valued at \$100,000 and a home valued at \$200,000 in the district in terms of actual dollars in additional property taxes that would be imposed on residences with those values if the mill levy were to pass. The ballot may also include a statement of the impact of the election on homes of any other value in the district, if appropriate.

(4) If the majority voting on the question are in favor of the additional levy, the governing body is authorized to impose the levy in either the amount or the number of mills specified in the resolution or charter amendment.

(5) A governing body, as defined in 7-6-4002, may reduce an approved levy in any fiscal year without losing the authority to impose in a subsequent fiscal year up to the maximum amount or number of mills approved in the election. However, nothing in this subsection authorizes a governing body to impose more than the approved levy in any fiscal year or to extend the duration of the approved levy."

{ *Internal References to 15-10-425:*

x7-6-4431	x7-14-1134	x7-14-1633	x7-14-2507
x7-14-4404	a7-16-2102	a7-16-2109	x7-22-2142
x7-32-235	x7-33-2109	x7-33-2209	x7-33-2403
x7-33-4109	x7-33-4111	x10-2-115 *	x15-10-420
x19-18-504	x20-9-353	x20-9-353	x20-9-353
x20-9-502	x20-9-502	x20-9-533	x20-15-311
a22-1-304	a22-1-304	x76-15-531	x90-5-112 }

Section 182. Section 15-65-101, MCA, is amended to read:

"15-65-101. Definitions. For purposes of this part, the following definitions apply:

(1) "Accommodation charge" means the fee charged by the owner or operator of a facility for use of the facility for lodging, including bath house facilities, but excluding charges for meals, transportation, entertainment, or any other similar charges.

(2) (a) "Campground" means a place, publicly or privately owned, used for public camping where persons may camp, secure tents, or park individual recreational vehicles for camping and sleeping purposes.

(b) The term does not include that portion of a trailer court, trailer park, or mobile home park intended for occupancy by trailers or mobile homes for resident dwelling purposes for periods of 30 consecutive days or more.

(3) "Council" means the tourism advisory council established in 2-15-1816.

(4) (a) "Facility" means a building containing individual sleeping rooms or suites, providing overnight lodging facilities for periods of less than 30 days to the general public for compensation. The term includes a facility represented to the public as a hotel, motel, campground, resort, dormitory, condominium inn, dude ranch, guest ranch, hostel, public lodginghouse, or bed and breakfast facility.

(b) The term does not include any health care facility, as defined in 50-5-101, any facility owned by a corporation organized under Title 35, chapter 2 or 3, that is used primarily

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by persons under the age of 18 years for camping purposes, any hotel, motel, hostel, public lodginghouse, or bed and breakfast facility whose average daily accommodation charge for single occupancy does not exceed 60% of the amount authorized under 2-18-501 for the actual cost of lodging for travel within the state of Montana, or any other facility that is rented solely on a monthly basis or for a period of 30 days or more.

(5) "Nonprofit convention and visitors bureau" means a nonprofit corporation organized under Montana law and recognized by a majority of the governing body in the city, consolidated city-county, resort area, or resort area district in which the bureau is located.

(6) "Regional nonprofit tourism corporation" means a nonprofit corporation organized under Montana law and recognized by the council as the entity for promoting tourism within one of several regions established by executive order of the governor.

(7) "Resort area" means an area established pursuant to 7-6-1508.

(8) "Resort area district" has the meaning provided in ~~7-6-1531~~ 7-6-1501."

{*Internal References to 15-65-101:*
x7-12-1121 x7-12-1132 x76-8-103 }

Section 183. Section 16-4-420, MCA, is amended to read:

"16-4-420. Restaurant beer and wine license. (1) The department shall issue a restaurant beer and wine license to an applicant whenever the department determines that the applicant,

in addition to satisfying the requirements of this section, meets the following qualifications and conditions:

(a) the applicant complies with the licensing criteria provided in 16-4-401 for an on-premises consumption license;

(b) the applicant operates a restaurant at the location where the restaurant beer and wine license will be used or satisfies the department that:

(i) the applicant intends to open a restaurant that will meet the requirements of subsection (6) and intends to operate the restaurant so that at least 65% of the restaurant's gross income during its first year of operation is expected to be the result of the sale of food;

(ii) the restaurant beer and wine license will be used in conjunction with that restaurant, that the restaurant will serve beer and wine only to a patron who orders food, and that beer and wine purchases will be stated on the food bill; and

(iii) the restaurant will serve beer and wine from a service bar, as service bar is defined by the department by rule;

(c) the applicant understands and acknowledges in writing on the application that this license prohibits the applicant from being licensed to conduct any gaming or gambling activity or operate any gambling machines and that if any gaming or gambling activity or machine exists at the location where the restaurant beer and wine license will be used, the activity must be discontinued or the machines must be removed before the restaurant beer and wine license takes effect; and

(d) the applicant states the planned seating capacity of

the restaurant, if it is to be built, or the current seating capacity if the restaurant is operating.

(2) (a) A restaurant that has an existing retail license for the sale of beer, wine, or any other alcoholic beverage may not be considered for a restaurant beer and wine license at the same location.

(b) (i) An on-premises retail licensee who sells the licensee's existing retail license may not apply for a license under this section for a period of 1 year from the date that license is transferred to a new purchaser.

(ii) A person, including an individual, with an ownership interest in an existing on-premises retail license that is being transferred to a new purchaser may not attain an ownership interest in a license applied for under this section for a period of 1 year from the date that the existing on-premises retail license is transferred to a new purchaser.

(3) A completed application for a license under this section and the appropriate application fee, as provided in subsection (11), must be submitted to the department. The department shall investigate the items relating to the application as described in subsections (3)(a) through (3)(d). Based on the results of the investigation and the exercise of its sound discretion, the department shall determine whether:

(a) the applicant is qualified to receive a license;

(b) the applicant's premises are suitable for the carrying on of the business;

(c) the requirements of this code and the rules promulgated

by the department are complied with; and

(d) the seating capacity stated on the application is correct.

(4) An application for a beer and wine license submitted under this section is subject to the provisions of 16-4-203, 16-4-207, and 16-4-405.

(5) If a premises proposed for licensing under this section is a new or remodeled structure, then the department may issue a conditional license prior to completion of the premises based on reasonable evidence, including a statement from the applicant's architect or contractor confirming that the seating capacity stated on the application is correct, that the premises will be suitable for the carrying on of business as a bona fide restaurant, as defined in subsection (6).

(6) (a) For purposes of this section, "restaurant" means a public eating place:

(i) where individually priced meals are prepared and served for on-premises consumption;

(ii) where at least 65% of the restaurant's annual gross income from the operation must be from the sale of food and not from the sale of alcoholic beverages. Each year after a license is issued, the applicant shall file with the department a statement, in a form approved by the department, attesting that at least 65% of the gross income of the restaurant during the prior year resulted from the sale of food.

(iii) that has a dining room, a kitchen, and the number and kinds of employees necessary for the preparation, cooking, and

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serving of meals in order to satisfy the department that the space is intended for use as a full-service restaurant; and

(iv) that serves an evening dinner meal at least 4 days a week for at least 2 hours a day between the hours of 5 p.m. and 11 p.m. The provisions of subsection (6)(b) and this subsection (6)(a)(iv) do not apply to a restaurant for which a restaurant beer and wine license is in effect as of April 9, 2009, or to subsequent renewals of that license.

(b) The term does not mean a fast-food restaurant that, excluding any carry-out business, serves a majority of its food and drink in throw-away containers not reused in the same restaurant.

(7) (a) A restaurant beer and wine license may be transferred, upon approval by the department, from the original applicant to a new owner of the restaurant only after 1 year of use by the original owner.

(b) A license issued under this section may be jointly owned, and the license may pass to the surviving joint tenant upon the death of the other tenant. However, the license may not be transferred to any other person or entity by operation of the laws of inheritance or succession or any other laws allowing the transfer of property upon the death of the owner in this state or in another state.

(c) An estate may, upon the sale of a restaurant that is property of the estate and with the approval of the department, transfer a restaurant beer and wine license to a new owner.

(8) (a) The department shall issue a restaurant beer and

wine license to a qualified applicant:

(i) except as provided in subsection (8)(c), for a restaurant located in a quota area with a population of 5,000 persons or fewer, as the quota area population is determined in 16-4-105, if the number of restaurant beer and wine licenses issued in that quota area is equal to or less than 80% of the number of beer licenses that may be issued in that quota area pursuant to 16-4-105;

(ii) for a restaurant located in a quota area with a population of 5,001 to 20,000 persons, as the quota area population is determined in 16-4-105, if the number of restaurant beer and wine licenses issued in that quota area is equal to or less than 160% of the number of beer licenses that may be issued in that quota area pursuant to 16-4-105;

(iii) for a restaurant located in a quota area with a population of 20,001 to 60,000 persons, as the quota area population is determined in 16-4-105, if the number of restaurant beer and wine licenses issued in that quota area is equal to or less than 100% of the number of beer licenses that may be issued in that quota area pursuant to 16-4-105;

(iv) for a restaurant located in a quota area with a population of 60,001 persons or more, as the quota area population is determined in 16-4-105, if the number of restaurant beer and wine licenses issued in that quota area is equal to or less than 80% of the number of beer licenses that may be issued in that quota area pursuant to 16-4-105; and

(v) for a restaurant located in a quota area that is also a

resort community, as ~~the resort community is designated by the department of commerce under~~ defined in 7-6-1501(5), if the number of restaurant beer and wine licenses issued in the quota area that is also a resort community is equal to or less than 200% of the number of beer licenses that may be issued in that quota area pursuant to 16-4-105.

(b) In determining the number of restaurant beer and wine licenses that may be issued under this subsection (8) based on the percentage amounts described in subsections (8)(a)(i) through (8)(a)(v), the department shall round to the nearer whole number.

(c) If the department has issued the number of restaurant beer and wine licenses authorized for a quota area under subsection (8)(a)(i), there must be a one-time adjustment of four additional licenses for that quota area.

(d) If there are more applicants than licenses available in a quota area, then the license must be awarded by lottery as provided in subsection (9).

(9) (a) When a restaurant beer and wine license becomes available by the initial issuance of licenses under this section or as the result of an increase in the population in the quota area, the nonrenewal of a restaurant beer and wine license, or the lapse or revocation of a license by the department, then the department shall advertise the availability of the license in the quota area for which it is available. If there are more applicants than number of licenses available, the license must be awarded to an applicant by a lottery.

(b) A preference must be given to an applicant who does not

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yet have in any quota area a restaurant beer and wine license or a retail beer license and who operates a restaurant that is in the quota area described in subsection (8) in which the license has become available and that meets the qualifications of subsection (6) for at least 12 months prior to the filing of an application. An applicant with a preference must be awarded a license before any applicant without a preference.

(c) The department shall numerically rank all applicants in the lottery. Only the successful applicants will be required to submit a completed application and a one-time required fee. An applicant's ranking may not be sold or transferred to another person or entity. The preference and an applicant's ranking apply only to the intended license advertised by the department or to the number of licenses determined under subsection (8) when there are more applicants than licenses available. The applicant's qualifications for any other restaurant beer and wine license awarded by lottery must be determined at the time of the lottery.

(d) If a successful lottery applicant does not use a license within 1 year of notification by the department of license eligibility, the applicant shall forfeit the license. The department shall refund any fees paid except the application fee and offer the license to the next eligible ranked applicant in the lottery.

(10) Under a restaurant beer and wine license, beer and wine may not be sold for off-premises consumption.

(11) An application for a restaurant beer and wine license must be accompanied by a fee equal to 20% of the initial

licensing fee. If the department does not make a decision either granting or denying the license within 4 months of receipt of a complete application, the department shall pay interest on the application fee at the rate of 1% a month until a license is issued or the application is denied. Interest may not accrue during any period that the processing of an application is delayed by reason of a protest filed pursuant to 16-4-203 or 16-4-207. If the department denies an application, the application fee, plus any interest, less a processing fee established by rule, must be refunded to the applicant. Upon the issuance of a license, the licensee shall pay the balance of the initial licensing fee. The amount of the initial licensing fee is determined according to the following schedule:

(a) \$5,000 for restaurants with a stated seating capacity of 60 persons or less;

(b) \$10,000 for restaurants with a stated seating capacity of 61 to 100 persons; or

(c) \$20,000 for restaurants with a stated seating capacity of 101 persons or more.

(12) The annual fee for a restaurant beer and wine license is \$400.

(13) If a restaurant licensed under this part increases the stated seating capacity of the licensed restaurant or if the department determines that a licensee has increased the stated seating capacity of the licensed restaurant, then the licensee shall pay to the department the difference between the fees paid at the time of filing the original application and issuance of a

license and the applicable fees for the additional seating.

(14) The number of beer and wine licenses issued to restaurants with a stated seating capacity of 101 persons or more may not exceed 25% of the total licenses issued.

(15) Possession of a restaurant beer and wine license is not a qualification for licensure of any gaming or gambling activity. A gaming or gambling activity may not occur on the premises of a restaurant with a restaurant beer and wine license."

{*Internal References to 16-4-420:*

x16-4-105 x16-4-111 x16-4-422 x16-4-422
x16-4-423 }

Section 184. Section 20-1-101, MCA, is amended to read:

"20-1-101. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Accreditation standards" means the body of administrative rules governing standards such as:

- (a) school leadership;
- (b) educational opportunity;
- (c) academic requirements;
- (d) program area standards;
- (e) content and performance standards;
- (f) school facilities and records;
- (g) student assessment; and
- (h) general provisions.

(2) "Aggregate hours" means the hours of pupil instruction for which a school course or program is offered or for which a

pupil is enrolled.

(3) "Agricultural experiment station" means the agricultural experiment station established at Montana state university-Bozeman.

(4) "At-risk student" means any student who is affected by environmental conditions that negatively impact the student's educational performance or threaten a student's likelihood of promotion or graduation.

(5) "Average number belonging" or "ANB" means the average number of regularly enrolled, full-time pupils physically attending or receiving educational services at an offsite instructional setting from the public schools of a district.

(6) "Board of public education" means the board created by Article X, section 9, subsection (3), of the Montana constitution and 2-15-1507.

(7) "Board of regents" means the board of regents of higher education created by Article X, section 9, subsection (2), of the Montana constitution and 2-15-1505.

(8) "Commissioner" means the commissioner of higher education created by Article X, section 9, subsection (2), of the Montana constitution and 2-15-1506.

(9) "County superintendent" means the county government official who is the school officer of the county.

(10) "District superintendent" means a person who holds a valid class 3 Montana teacher certificate with a superintendent's endorsement that has been issued by the superintendent of public instruction under the provisions of this title and the policies

adopted by the board of public education and who has been employed by a district as a district superintendent.

(11) (a) "Educational program" means a set of educational offerings designed to meet the program area standards contained in the accreditation standards.

(b) The term does not include an educational program or programs used in 20-4-121 and 20-25-803.

(12) "K-12 career and vocational/technical education" means organized educational activities that have been approved by the office of public instruction and that:

(a) offer a sequence of courses that provide a pupil with the academic and technical knowledge and skills that the pupil needs to prepare for further education and for careers in the current or emerging employment sectors; and

(b) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, technical skills, and occupation-specific skills of the pupil.

(13) (a) "Minimum aggregate hours" means the minimum hours of pupil instruction that must be conducted during the school fiscal year in accordance with 20-1-301 and includes passing time between classes.

(b) The term does not include lunch time and periods of unstructured recess.

(14) "Offsite instructional setting" means an instructional setting at a location, separate from a main school site, where a

school district provides for the delivery of instruction to a student who is enrolled in the district.

(15) "Principal" means a person who holds a valid class 3 Montana teacher certificate with an applicable principal's endorsement that has been issued by the superintendent of public instruction under the provisions of this title and the policies adopted by the board of public education and who has been employed by a district as a principal. For the purposes of this title, any reference to a teacher must be construed as including a principal.

(16) "Pupil" means a child who is 6 years of age or older on or before September 10 of the year in which the child is to enroll or has been enrolled by special permission of the board of trustees under 20-5-101(3) but who has not yet reached 19 years of age and who is enrolled in a school established and maintained under the laws of the state at public expense. For purposes of calculating the average number belonging pursuant to 20-9-311, the definition of pupil includes a person who has not yet reached 19 years of age by September 10 of the year and is enrolled under 20-5-101(3) in a school established and maintained under the laws of the state at public expense.

(17) "Pupil instruction" means the conduct of organized instruction of pupils enrolled in public schools while under the supervision of a teacher.

(18) "Qualified and effective teacher or administrator" means an educator who is licensed and endorsed in the areas in which the educator teaches, specializes, or serves in an

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administrative capacity as established by the board of public education.

(19) "Regents" means the board of regents of higher education.

(20) "Regular school election" or "trustee election" means the election for school board members held on the day established in 20-20-105(1).

(21) "School election" means a regular school election or any election conducted by a district or community college district for authorizing taxation, authorizing the issuance of bonds by an elementary, high school, or K-12 district, or accepting or rejecting any proposition that may be presented to the electorate for decision in accordance with the provisions of this title.

(22) "School food services" means a service of providing food for the pupils of a district on a nonprofit basis and includes any food service financially assisted through funds or commodities provided by the United States government.

(23) "Special school election" means an election held on a day other than the day of the regular school election, primary election, or general election.

~~(21)~~(24) "State board of education" means the board composed of the board of public education and the board of regents as specified in Article X, section 9, subsection (1), of the Montana constitution.

~~(22)~~(25) "State university" means Montana state university-Bozeman.

~~(23)~~(26) "Student with limited English proficiency" means any student:

(a) (i) who was not born in the United States or whose native language is a language other than English;

(ii) who is an American Indian and who comes from an environment in which a language other than English has had a significant impact on the individual's level of English proficiency; or

(iii) who is migratory, whose native language is a language other than English, and who comes from an environment in which a language other than English is dominant; and

(b) whose difficulties in speaking, reading, writing, or understanding the English language may be sufficient to deny the student:

(i) the ability to meet the state's proficiency assessments;

(ii) the ability to successfully achieve in classrooms where the language of instruction is English; or

(iii) the opportunity to participate fully in society.

~~(24)~~(27) "Superintendent of public instruction" means that state government official designated as a member of the executive branch by the Montana constitution.

~~(25)~~(28) "System" means the Montana university system.

~~(26)~~(29) "Teacher" means a person, except a district superintendent, who holds a valid Montana teacher certificate that has been issued by the superintendent of public instruction under the provisions of this title and the policies adopted by

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the board of public education and who is employed by a district as a member of its instructional, supervisory, or administrative staff. This definition of a teacher includes a person for whom an emergency authorization of employment has been issued under the provisions of 20-4-111.

~~(27)~~(30) "Textbook" means a book or manual used as a principal source of study material for a given class or group of students.

~~(28)~~(31) "Textbook dealer" means a party, company, corporation, or other organization selling, offering to sell, or offering for adoption textbooks to districts in the state.

~~(29)~~(32) "Trustees" means the governing board of a district.

~~(30)~~(33) "University" means the university of Montana-Missoula.

~~(31)~~(34) "Vocational-technical education" means vocational-technical education of vocational-technical students that is conducted by a unit of the Montana university system, a community college, or a tribally controlled community college, as designated by the board of regents."

{*Internal References to 20-1-101:*
x19-20-302 x20-9-328 }

Section 185. Section 20-3-202, MCA, is amended to read:

"20-3-202. Term, oath, and vacancy. (1) The county superintendent shall hold office for a term of 4 years. The county superintendent shall ~~assume office on the first Monday of January following election and shall:~~

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(a) take the oath of office on or before the last business day of December following the superintendent's election;

(b) assume office at 12:01 a.m. on January 1 following the superintendent's election; and

(c) hold the office until a successor has been elected and qualified.

(2) Any person elected as the county superintendent shall ~~take the oath or affirmation of office and shall~~ give an official bond, as required by law.

(3) If the office of county superintendent becomes vacant, the board of county commissioners shall appoint a replacement to fill the vacancy. The replacement shall serve until the next ~~regular~~ general election, when a person must be elected to serve the remainder of the initial term, if there is any remaining term."

{Internal References to 20-3-202: None.}

Section 186. Section 20-3-301, MCA, is amended to read:

"20-3-301. Election and term of office. (1) Every trustee position prescribed by this title shall be subject to election, ~~and the~~. Except as provided in 20-3-313, a school trustee election shall be held annually on the regular school election day established in 20-20-105(1).

(2) The term of office for each position shall be 3 years unless it is otherwise specifically prescribed by this title.

~~(2)~~(3) The trustees shall be composed of the number of trustee positions prescribed for a district by 20-3-341 and

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20-3-351. When exercising the power and performing the duties of trustees, the members shall act collectively and only at a regular or a properly called special meeting.

~~(3)~~(4) The number of trustee positions in a district shall vary in accordance with 20-3-341 and 20-3-351 according to the type of district."

{*Internal References to 20-3-301: None.*}

Section 187. Section 20-3-305, MCA, is amended to read:

"20-3-305. Candidate qualification, nomination, and withdrawal. (1) Except as provided in 20-3-338, any person who is qualified to vote in a district under the provisions of 20-20-301 is eligible for the office of trustee.

(2) Except as provided in 20-3-338, any five electors qualified under the provisions of 20-20-301 of any district, except a first-class elementary district, may nominate as many trustee candidates as there are trustee positions subject to election at the ensuing election. ~~The~~

(3) (a) Except as provided in subsection (3)(b), consistent with the candidate filing deadline for special purpose districts under [section 2], the name of each person nominated for candidacy must be submitted to the clerk of the district not less than ~~40~~ 85 days before the regular school election day at which the person is to be a candidate. If there are different terms to be filled, the term for which each candidate is nominated must also be indicated.

(b) A person seeking to become a write-in candidate in a

mail ballot election under Title 13, chapter 19, for a trustee position shall file a declaration of intent no later than 5 p.m. on the 31st day before the election.

(3)(2) (a) A candidate intending to withdraw from the election shall send a statement of withdrawal to the clerk of the district. The statement must contain all information necessary to identify the candidate and the office for which the candidate was nominated. The statement of withdrawal must be acknowledged by the clerk of the district.

(b) A candidate may not withdraw ~~less than 38 days before a school election~~ after the ballot has been certified pursuant to 20-20-401.

(c) Filing fees paid by the candidate may not be refunded."

{*Internal References to 20-3-305:*
x20-3-338 x20-3-356 }

Section 188. Section 20-3-307, MCA, is amended to read:

"20-3-307. Qualification and oath. (1) A person who receives a certificate of election as a trustee under the provisions of 20-3-313 or 20-20-416 may not assume the trustee position until the person has qualified. The person shall qualify by taking an oath of office administered by the county superintendent, the superintendent's designee, or any official provided for in 1-6-101 or 2-16-116. The oath must be filed with the county superintendent not more than 15 days after the receipt of the certificate of election. After a person has qualified for a trustee position, the person holds the position until a

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successor has been elected or appointed and has been qualified.

(2) If the elected person does not qualify in accordance with this requirement, a person must be appointed in the manner provided by 20-3-309 and shall serve until the next regular school election."

{*Internal References to 20-3-307:*
x20-3-205 x20-3-308 x20-15-223 }

Section 189. Section 20-3-313, MCA, is amended to read:

"20-3-313. Election by acclamation -- notice. (1) If the number of candidates filing for vacant positions or filing a declaration of intent to be a write-in candidate under ~~13-10-211~~ 20-3-305(3)(b) is equal to or less than the number of positions to be elected, the trustees may give notice that a trustee election will not be held. Notice must be given no later than ~~25~~ 30 days before the election.

(2) If a trustee election is not held, the trustees shall declare elected by acclamation the candidate who filed for the position or who filed a declaration of intent to be a write-in candidate and shall issue a certificate of election to the candidate.

(3) An election for a trustee in a single-member district as provided in 20-3-338 or in a trustee nominating district as provided in 20-3-353 is considered a separate trustee election for the purposes of declaring election by acclamation as provided in this section."

{*Internal References to 20-3-313:*
x20-3-306 x20-3-307 }

Section 190. Section 20-3-321, MCA, is amended to read:

"20-3-321. Organization and officers. (1) The trustees of each district shall annually organize as a governing board of the district after the regular school election day and after the issuance of the election certificates to the newly elected trustees, but not later than 15 days after the election. In order to organize, the trustees of the district must be given notice of the time and place where the organization meeting will be held, and at the meeting they shall choose one of their number as the presiding officer. In addition, except for the trustees of a high school district operating a county high school, the trustees shall employ and appoint a competent person, who is not a member of the trustees, as the clerk of the district. The trustees of a high school district operating a county high school shall appoint a secretary, who must be a member of the board.

(2) The presiding officer of the trustees of any district shall serve until the next organization meeting and shall preside at all the meetings of the trustees in accordance with the customary rules of order. The presiding officer shall perform the duties prescribed by this title and any other duties that normally pertain to a presiding officer.

(3) The presiding officer of a board of trustees of an elementary district may be any trustee of the board, including an additional trustee as provided for in 20-3-352(2). If an additional trustee is chosen to serve as the presiding officer of the board of trustees of an elementary district described in

20-3-351(1)(a), the additional trustee may not vote on issues pertaining only to the elementary district."

{*Internal References to 20-3-321:*

x20-3-322

x20-3-325

x20-3-352

x20-6-424

x20-6-424 }

Section 191. Section 20-3-337, MCA, is amended to read:

"20-3-337. Plan for creating single-member trustee districts -- petition election. (1) Except as provided in subsection (8), the board of trustees of a school district may establish a procedure for studying the appropriateness of creating single-member trustee districts within the school district.

(2) If the board considers a single-member district plan, the plan must establish single-member districts that:

(a) are as compact in area and as equal in population as possible; and

(b) provide equitable voting rights for the minorities residing within the school district by ensuring that the access of minorities to the political process is not diluted in contravention of the Voting Rights Act Amendments of 1982, Public Law 97-205.

(3) If the board determines that it is in the best interest of the electors of the school district, it shall:

(a) propose creation of a single-member trustee district plan;

(b) schedule and hold a public hearing on the proposed plan; and

(c) publish in a newspaper of general circulation in the district a notice of the public hearing, including a map of the proposed single-member trustee district plan, and the reasons why the board believes that the plan satisfies the criteria set forth in subsection (2).

(4) After the public hearing is held, the board shall forward a copy of the proposed single-member trustee district plan to the secretary of state and the superintendent of public instruction for review and comment. The copy of the proposed plan must be accompanied by:

(a) a map indicating the circulation of the newspaper in which the notice required in subsection (3) was published;

(b) the published notice of the public hearing;

(c) a map of the proposed single-member trustee district plan; and

(d) a summary of any public comments to the board regarding the proposed plan.

(5) After receiving comments from the secretary of state and the superintendent of public instruction, the board of trustees may amend, revise, approve, or disapprove the proposed plan. If the plan is adopted by the board, it shall:

(a) inform the county superintendent of schools of its adoption;

(b) publish notice of the adoption in a newspaper of general circulation within the district, including identification of the boundaries of each new single-member trustee district and the implementation date of the plan; and

(c) file with the county clerk and recorder a certificate designating the boundary lines and limits of each single-member trustee district.

(6) All successors to the board of trustees must be elected in accordance with the adopted single-member trustee district plan.

(7) A change in the boundaries of a trustee district may not be made within 3 months preceding a regular school election day ~~as provided in 20-3-304.~~

(8) If the board receives a petition signed by 10% or more of the qualified electors of the school district, the board shall submit the request to create a single-member trustee district to the electors who are qualified under 20-20-301 to vote upon the request. The petition submitted to the board must:

(a) conform to the requirements of subsections (2)(a) and (2)(b);

(b) be forwarded to the secretary of state and the superintendent of public instruction for review and comment;

(c) include a map of the proposed single-member trustee district, identifying the boundaries of each new single-member trustee district and the implementation date of the district;

(d) be forwarded to the county clerk and recorder, designating the boundary lines and limits of each single-member trustee district; and

(e) include a plan for election and terms of trustees of the single-member district, who must be residents of the proposed district, and provide for the terms of successors to the board of

trustees in a single-member trustee district approved by the electors.

(9) If the petition meets the requirements of subsection (8), the board shall call an election on the question of whether to create a single-member trustee district. The election must be held at the next school election scheduled pursuant to 20-20-105 and must be conducted in the manner prescribed by this title for school elections. The published notice must include a map and a description of the boundaries of the proposed district.

(10) If a majority of the votes cast at the election approve the creation of a single-member trustee district, the election administrator shall, within 10 days of receipt of the official canvass of the result, certify that the district is formed.

(11) When a trustee position becomes vacant in a single-member district, the position must be filled in accordance with the provisions of 20-3-309, except that the position must be filled by a person who resides within the single-member district."

{*Internal References to 20-3-337:*
x20-3-336 x20-3-336 x20-20-301 }

Section 192. Section 20-3-338, MCA, is amended to read:

"20-3-338. Trustees elected by single-member district. (1)
At each ~~annual election provided for in 20-3-304~~ regular school election, each trustee candidate in a single-member trustee district must be a qualified elector of the trustee district and have resided in the trustee district to be represented for at

least 1 year prior to becoming a candidate for the trustee position.

(2) Nomination of trustee candidates under the provisions of 20-3-305 and 20-3-344 must be by electors of the trustee district.

(3) The election of each trustee must be submitted to the electors in the trustee district who are qualified to vote under the provisions of 20-20-301."

{*Internal References to 20-3-338:*

x20-3-305

x20-3-305

x20-3-313

x20-3-344 }

Section 193. Section 20-3-341, MCA, is amended to read:

"20-3-341. Number of trustee positions in elementary districts -- transition. The number of trustee positions in each elementary district shall vary according to the district's classification, as established by 20-6-201:

(1) There must be seven trustee positions in a first-class elementary district.

(2) There must be five trustee positions in a second-class elementary district; however, upon a majority vote of the board of trustees, the number may be increased to seven trustee positions at the next trustee election, provided that notice of the action of the board of trustees is published by the clerk of the district in a newspaper of general circulation in the county prior to January 1 of the year of the trustee election. The board of trustees may reduce the number of trustee positions from seven to five upon receiving a petition for that purpose from at least

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10 qualified electors of the district.

(3) There must be three trustee positions in a third-class elementary district; however, upon a majority vote of the board of trustees, the number may be increased to five trustee positions at the next trustee election, provided that notice of the action of the board of trustees is published by the clerk of the district in a newspaper of general circulation in the county prior to January 1 of the year of the trustee election. The board of trustees may reduce the number of trustee positions from five to three upon receiving a petition for that purpose from at least 10 qualified electors of the district.

(4) (a) If the number of trustee positions in a second-class elementary district is decreased from seven to five in accordance with the provisions of subsection (2), one position is eliminated at the time of the first subsequent regular school election and one position is eliminated at the next regular school election.

(b) If the number of trustee positions in a third-class elementary district is decreased from five to three in accordance with the provisions of subsection (3), one position is eliminated at the time of the first subsequent school election when two trustee positions would have been filled and one position is eliminated at the next school election when two trustee positions would have been filled."

{*Internal References to 20-3-341:*
x20-3-301 x20-3-301 x20-3-302 x20-6-702 }

Section 194. Section 20-3-344, MCA, is amended to read:

"20-3-344. Nomination of candidates by petition in first-class elementary district. Except as provided in 20-3-338, any 20 electors, qualified under the provisions of 20-20-301, of any first-class elementary district may nominate by petition as many trustee candidates as there are trustee positions subject to election at the ensuing election. The To be consistent with the provisions of [section 2] for special purpose district elections, the name of each person nominated for candidacy must be submitted to the clerk of the district no sooner than 145 days and not less than 40 85 days before the regular school election day at which the person is to be a candidate. If there are different terms to be filled, the term for which each candidate is nominated must also be indicated. The election must be conducted with the ballot as specified in 20-3-306."

{*Internal References to 20-3-344:*
x20-3-306 x20-3-338 }

Section 195. Section 20-9-426, MCA, is amended to read:

"20-9-426. Preparation and form of ballots for bond election. (1) The school district shall cause ballots to be prepared for all bond elections, and whenever bonds for more than one purpose are to be voted upon at the same election, separate ballots must be prepared for each purpose.

(2) For bond elections that are not held in conjunction with a regular school election, the ballots for absentee voting must be printed and made available at least 30 days before the

bond election.

(3) All ballots must be substantially in the following form:

OFFICIAL BALLOT
SCHOOL DISTRICT BOND ELECTION

INSTRUCTIONS TO VOTERS: Make an X or similar mark in the vacant square before the words "BONDS--YES" if you wish to vote for the bond issue; if you are opposed to the bond issue, make an X or similar mark in the square before the words "BONDS--NO".

Shall the board of trustees be authorized to issue and sell (state type of bonds here: general obligation, oil and natural gas revenue, oil and natural gas revenue for which a tax deficiency is pledged, or impact aid revenue) bonds of this school district in the amount of dollars (\$), payable semiannually, during a period not more than years, for the purpose (here state the purpose the same way as in the notice of election)?

BONDS -- YES.

BONDS -- NO."

{Internal References to 20-9-426:
20-9-437 20-15-404 * 20-20-401 }

Section 196. Section 20-9-428, MCA, is amended to read:

"20-9-428. Determination of approval or rejection of proposition at bond election. (1) When the trustees canvass the vote of a school district bond election under the provisions of

20-20-415, they shall determine the approval or rejection of the school bond proposition in the following manner:

(a) Except as provided in subsection (1)(c), if the school district bond election is held at a regular school election or at a special election called by the trustees, the trustees shall:

(i) determine the total number of electors of the school district who are qualified to vote under the provisions of 20-20-301 from the list of electors supplied by the county registrar for the school bond election;

(ii) determine the total number of qualified electors voting at the school bond election from the tally sheets for the election; and

(iii) calculate the percentage of qualified electors voting at the school bond election by dividing the amount determined in subsection (1)(a)(ii) by the amount determined in subsection (1)(a)(i).

(b) When the calculated percentage in subsection (1)(a)(iii) is:

(i) 40% or more, the school bond proposition is approved and adopted if a majority of the votes were cast in favor of the proposition, otherwise it is rejected;

(ii) more than 30% but less than 40%, the school bond proposition is approved and adopted if 60% or more of the votes were cast in favor of the proposition, otherwise it is rejected; or

(iii) 30% or less, the school bond proposition is rejected.

(c) If the school district bond election is held ~~at a~~

~~general election, at~~ in conjunction with an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or ~~at a special election that is held~~ in conjunction with a ~~regular~~ general or primary election, the determination of the approval or rejection of the bond proposition is made by a majority of the votes cast on the issue.

(2) If the canvass of the vote establishes the approval and adoption of the school bond proposition, the trustees shall issue a certificate proclaiming the passage of the proposition and the authorization to issue bonds of the school district for the purposes specified on the ballot for the school district bond election."

{*Internal References to 20-9-428:*
a20-9-471 x20-15-404 * }

Section 197. Section 20-9-471, MCA, is amended to read:

"20-9-471. Issuance of obligations -- authorization -- conditions. (1) The trustees of a school district may, without a vote of the electors of the district, issue and sell to the board of investments obligations for the purpose of financing all or a portion of:

(a) the costs of vehicles and equipment;

(b) the costs associated with renovating, rehabilitating, and remodeling facilities, including but not limited to roof repairs, heating, plumbing, electrical systems, and conservation measures as defined in 90-4-1102;

(c) any other expenditure that the district is otherwise

authorized to make, subject to subsection (4), including the payment of settlements of legal claims and judgments; and

(d) the costs associated with the issuance and sale of the obligations.

(2) The term of the obligation, including an obligation for a qualified energy project, may not exceed 15 fiscal years. For the purposes of this subsection, a "qualified energy project" means a project designed to reduce energy use in a school facility and from which the resulting energy cost savings are projected to meet or exceed the debt service obligation for financing the project, as determined by the department of environmental quality.

(3) At the time of issuing the obligation, there must exist an amount in the budget for the current fiscal year available and sufficient to make the debt service payment on the obligation coming due in the current year. The budget for each following year in which any portion of the principal of and interest on the obligation is due must provide for payment of that principal and interest.

(4) Except as provided in 20-9-502 and 20-9-503, the proceeds of the obligation may not be used to acquire real property or construct a facility unless:

(a) the acquisition or construction project does not constitute more than 20% of the square footage of the existing real property improvements made to a facility containing classrooms;

(b) the 20% square footage limitation may not be exceeded

within any 5-year period; and

(c) the electors of the district approve a proposition authorizing the trustees to apply for funds through the board of investments for the construction project. The proposition must be approved at ~~a special or regular~~ an election held in accordance with all of the requirements of 20-9-428, except that the proposition is considered to have passed if a majority of the qualified electors voting approve the proposition.

(5) The school district may not submit for a vote of the electors of the district a proposition to impose a levy to pay the principal or any interest on an obligation that is payable from the conservation-related cost savings under energy performance contracts as defined in 90-4-1102.

(6) The obligation must state clearly on its face that the obligation is not secured by a pledge of the school district's taxing power but is payable from amounts in its general fund or other legally available funds.

(7) An obligation issued is payable from any legally available fund of the district and constitutes a general obligation of the district.

(8) The obligation may bear interest at a fixed or variable rate and may be sold to the board of investments at par, at a discount, or with a premium and upon any other terms and conditions that the trustees determine to be in the best interests of the district.

(9) The principal amount of the obligation, when added to the outstanding bonded indebtedness of the district, may not

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exceed the debt limitation established in 20-9-406."

{*Internal References to 20-9-471:*

x20-9-406

x20-9-406

x20-9-406

x20-9-421 }

Section 198. Section 20-15-203, MCA, is amended to read:

"20-15-203. Call of community college district organization election -- proposition statement. (1) A petition for the organization of a community college district must be presented to the regents. The regents shall examine the petition to determine if the petition satisfies the petitioning and community college district organizational requirements.

(2) If the regents determine that the petition satisfies the requirements, the regents shall order the elementary districts encompassed by the proposed community college district to conduct an election on the community college district organization proposition. The election must be held on the next regular school election day, ~~except that an election required by a petition received by the regents that, for consistency with [section 4(4)], is not less than 60 85 days before the regular school election day must be held at the regular school election in the following school fiscal year after the order.~~

(3) At the election the proposition must be in substantially the following form:

PROPOSITION

Shall there be organized within the area comprising the School Districts of (elementary districts must be listed by

county), State of Montana, a community college district for the offering of 13th- and 14th-year courses, to be known as the Community College District of, Montana, under the provisions of the laws authorizing community college districts in Montana, as requested in the petition filed with the Board of Regents at Helena, Montana, on the day of, 20...?

[] FOR organization.

[] AGAINST organization."

{*Internal References to 20-15-203: None.*}

Section 199. Section 20-15-206, MCA, is amended to read:

"20-15-206. Nomination of candidates and provision of sample ballot. (1) Nominations of candidates for the trustee positions must be filed with the regents ~~at least 30 days prior to the date of the election~~ within the time period established in 20-3-305(3). Any five qualified electors may file nominations of as many persons as are to be elected to the board of trustees of the proposed community college district from their respective community college trustee election areas.

(2) The regents shall provide the trustees of each district ordered to conduct the community college district organization election with a sample of the ballot for the election of the board of trustees. Such sample ballot shall be reproduced by the trustees in a sufficient number to be used as the trustee election ballot."

{*Internal References to 20-15-206: None.*}

Section 200. Section 20-15-219, MCA, is amended to read:

"20-15-219. Qualifications for office of trustee -- nominating petitions. (1) Any person who is qualified to vote in a community college district under the provisions of 20-20-301 is eligible for the office of community college trustee.

(2) Any five electors of a community college district qualified under the provisions of 20-20-301 may nominate as many trustee candidates as there are trustee positions subject to election at the ensuing election. A nominating petition containing the signatures of the five electors and the name of each person nominated for candidacy must be submitted to the election clerk designated by the board of trustees ~~no less than 40 days before the regular school election day at which the person is to be a candidate~~ within the time period specified in 20-3-305(3). If there are different terms to be filled, the term for which each candidate is nominated must also be indicated."

{*Internal References to 20-15-219:*
a20-15-221 }

Section 201. Section 20-15-221, MCA, is amended to read:

"20-15-221. Election of trustees after organization of community college district. (1) After organization, the registered electors of the community college district qualified to vote under the provisions of 20-20-301 shall annually vote for trustees on the regular school election day provided for in ~~20-3-304~~ 20-20-105(1). The election must be conducted in accordance with the election provisions of this title whenever

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the provisions are made applicable to community college districts. Elections must be conducted by the component elementary school districts within the community college district upon the order of the board of trustees of the community college district. ~~The order must be transmitted to the appropriate trustees not less than 40 days prior to the regular school election day.~~

(2) Notice of the community college district trustee election must be given ~~by the board of trustees of the community college district by publication in one or more newspapers of general circulation within each county, not less than once a week for 2 consecutive weeks, with the last insertion to be no more than 1 week prior to the date of the election. This notice is in addition to the election notice to be given by the trustees of the component elementary districts under the school election laws as provided in 13-1-108.~~

(3) If trustees are elected other than at large throughout the entire district, then only those qualified voters within the area from which the trustee or trustees are to be elected may cast their ballots for the trustee or trustees from that area. In addition to the nominating petition required by 20-15-219(2), all candidates for the office of trustee shall file their declarations of candidacy with the secretary of the board of trustees of the community college district ~~not less than 40 days prior to the date of election~~ within the time period specified in 20-3-305(3). If an electronic voting system is not used in the component elementary school district or districts that conduct

the election, the board of trustees of the community college district shall cause ballots to be printed and distributed for the polling places in the component districts at the expense of the community college district, but in all other respects the elections must be conducted in accordance with the school election laws. All costs incident to election of the community college trustees must be borne by the community college district, including one-half of the compensation of the judges for the school elections. However, if the election of the community college district trustees is the only election conducted, the community college district shall compensate the district for the total cost of the election."

{*Internal References to 20-15-221: None.*}

Section 202. Section 20-15-222, MCA, is amended to read:

"20-15-222. Results of election -- qualifying oath -- term of office. (1) When the board of trustees of the community college district has received all the certified results of the election from the component elementary districts, the then-qualified members of the board of trustees of the community college district shall tabulate the results received, shall declare and certify the candidate or candidates receiving the greatest number of votes to be elected to the position or positions to be filled, and shall declare and certify the results of the votes cast on any proposition presented at the election.

(2) (a) A person who receives a certificate of election as a community college trustee may not assume the trustee position

until the person has qualified by taking an oath of office prescribed by the constitution of Montana at the next regularly scheduled meeting of the board of trustees after receipt of the certificate of election.

(b) If the elected person does not qualify in accordance with this requirement, another person must be appointed in a manner provided by 20-15-223 and shall serve until the next regular school election.

(3) After a person has qualified for a trustee position, the person shall hold the position for the term of the position and until a successor has been elected or appointed and has been qualified."

{*Internal References to 20-15-222: None.*}

Section 203. Section 20-15-224, MCA, is amended to read:

"20-15-224. Board of trustees -- organization, meetings, quorum, mileage, and seal. (1) (a) The trustees of each community college district shall annually organize as a governing board of the community college district at the next regularly scheduled meeting after the regular school election day and after the issuance of the election certificate to the newly elected trustees.

(b) In order to organize, the trustees of the community college district must be given notice by the coordinator of the time and place where the organization meeting will be held, and at the meeting they shall choose one of their members as presiding officer and as secretary. In addition, the trustees may

employ or appoint a competent person who is not a member of the trustees as the clerk of the community college district.

(c) The presiding officer and secretary of the trustees of the community college district shall serve until the next organization meeting. The presiding officer shall preside at all meetings of the trustees in accordance with the customary rules of order. The presiding officer shall perform the duties prescribed by this title and any other duties that normally pertain to the office.

(2) The board of trustees of the community college shall hold monthly meetings within the community college district on the day of the month the trustees may set. The presiding officer and secretary of the board or a majority of the board may also call special meetings of the board of trustees at any time and place within the community college district if in its judgment necessity requires the meeting. The secretary of the board shall give each member a 48-hour written notice of all special meetings.

(3) A majority of the board of trustees constitutes a quorum for the transaction of business, except that a contract may not be let, teacher employed or dismissed, or bill approved unless a majority of the total board membership votes in favor of the action.

(4) A member of the board of trustees must receive mileage, as provided for in 2-18-503, for the distance necessarily traveled in going to and returning from the place of the meeting and the member's place of residence each day that the trip is

actually made.

(5) The board shall keep a common seal with which to attest its official acts."

{*Internal References to 20-15-224: None.*}

Section 204. Section 20-20-105, MCA, is amended to read:

"20-20-105. Regular school election day and special school elections -- limitation -- exception. (1) Except as provided in subsection ~~(4)~~(5), the first Tuesday after the first Monday of May of each year is the regular school election day.

(2) Except as provided in subsections (3) and (4), a proposition requesting additional funding under 20-9-353 may be submitted to the electors only once each calendar year on the regular school election day.

~~(2)~~(3) Subject to the provisions of subsection ~~(1)~~(2), ~~special~~ other school elections may be conducted at times determined by the trustees.

~~(3)~~(4) In the event of an unforeseen emergency occurring on the date scheduled for the funding election pursuant to subsection ~~(1)~~(2), the district will be allowed to reschedule the election for a different day of the calendar year. As used in this section, "unforeseen emergency" has the meaning provided in 20-3-322(5).

~~(4)~~(5) In years when the legislature meets in regular session or in a special session that affects school funding, the trustees may order ~~the~~ an election on a date other than the regular school election day in order for the electors to consider

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a proposition requesting additional funding under 20-9-353."

{*Internal References to 20-20-105:*
x20-3-337 }

Section 205. Section 20-20-106, MCA, is amended to read:

"20-20-106. Poll hours. (1) The polls for any school election in any district shall open not later than noon. The trustees may order the polls to open earlier, but no earlier than 7 a.m.

(2) If the school election is held on the same day as an election held by a political subdivision ~~under 13-1-104(3)~~ and at the same polling place pursuant to 13-1-401, the polls shall be opened and closed at the times required for the school election.

(3) If the school election is held on the same day as a general or primary election, the polls shall be opened and closed at the times required for the general or primary election under 13-1-106.

(4) Once opened, the polls shall be kept open continuously until 8 p.m., except that whenever all the registered electors at any poll have voted, the poll shall be closed immediately."

{*Internal References to 20-20-106:*
a13-1-106 *x20-20-203* }

Section 206. Section 20-20-201, MCA, is amended to read:

"20-20-201. Calling of school election. (1) ~~At~~ A school election must be called by resolution at least 40 70 days before ~~any school the election, the trustees of a district shall call the school election by resolution, stating the date and purpose~~

~~of the election, and shall conduct it in accordance with the procedures required by law when:~~

~~— (a) an election must be held on the regular school election day;~~

~~— (b) in their discretion, the trustees order an election for a purpose authorized by law;~~

~~— (c) the county superintendent orders an election in accordance with the law authorizing an order;~~

~~— (d) the board of public education orders an election in accordance with the law authorizing an order;~~

~~— (e) the county commissioners order an election in accordance with the law authorizing an order;~~

~~— (f) the board of trustees of a community college district orders an election in accordance with the law authorizing an order, in which case the community college district shall bear its share of the cost of the election; or~~

~~— (g) a school election is required by law under any other circumstances.~~

(2) The resolution calling any for the school election must specify the day of the election.

(3) A resolution calling for an election must be transmitted to the county election administrator no later than 35 days before the election in order to enable the administrator to close the registration and prepare the lists of registered electors as required by school election laws 5 days after the deadline established in subsection (1)."

{Internal References to 20-20-201:

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x20-3-306	x20-6-312	x20-6-422	x20-6-423
x20-6-505	x20-6-603	x20-6-621	x20-9-421
x20-9-422	x20-9-502	x20-9-705	x20-10-126 }

Section 207. Section 20-20-204, MCA, is amended to read:

"20-20-204. Election notice. (1) ~~(a) When the trustees of a district call a school election, they shall give notice of the election not less than 20 days or more than 30 days before the day of the election by:~~

~~— (i) publication of the notice in a newspaper of general circulation if there is one in the district; and~~

~~— (ii) posting notices in three public places in the district, provided that in incorporated cities and towns, at least one notice must be posted at a public place in each ward or precinct.~~

~~— (b) Whenever, in the judgment of the trustees, the best interest of the district will be served by the supplemental publication of the school election notice in a radio or television broadcast, the trustees may cause that notification to be made. Notice of a school election must be provided as specified in 13-1-108.~~

(2) The notice of a school election, unless otherwise required by law, must specify:

- (a) the date and polling places of the election;
- (b) the hours that the polling places will be open;
- (c) each proposition to be considered by the electorate;
- (d) if there are trustees to be elected, the number of

positions subject to election and the length of term of each position; and

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(e) where and how absentee ballots may be obtained.

(3) If more than one proposition is to be considered at the same school election, each proposition must be set apart and separately identified in the same notice or published in separate notices."

{*Internal References to 20-20-204:*
x20-6-604 }

Section 208. Section 20-20-311, MCA, is amended to read:

"20-20-311. ~~Closure of Voter~~ registration. Registration Voter registration for school elections shall ~~close for 30 days~~ before any school election, but it shall not be necessary to publish any notice of such closing of registration be as provided in Title 13, chapter 2."

{*Internal References to 20-20-311: None.*}

Section 209. Section 20-20-312, MCA, is amended to read:

"20-20-312. Listing of registered electors -- late registration. (1) After closing regular registration, the county election administrator shall prepare a list of registered electors for each polling place established by the trustees. The list for each polling place shall be prepared in the format of a precinct register book.

(2) An elector may register as provided in 13-2-304 to vote in a school election after the close of regular registration."

{*Internal References to 20-20-312: None.*}

Section 210. Section 20-20-401, MCA, is amended to read:

"20-20-401. Trustees' election duties -- ballot

certification. (1) The trustees are the general supervisors of school elections unless the trustees request and the county election administrator agrees to conduct a school election under 20-20-417.

(2) Not less than ~~25~~ 30 days before an election, the clerk of the district shall prepare a certified list of the names of all candidates entitled to be on the ballot and the official wording for each ballot issue. The clerk shall arrange for printing the ballots. Ballots for absentee voting must be printed and available at least 20 days before the election, except as provided in 20-9-426(2) for a bond election not held in conjunction with a regular school election. Names of candidates on school election ballots need not be rotated.

(3) Before the opening of the polls, the trustees shall cause each polling place to be supplied with the ballots and supplies necessary to conduct the election."

{*Internal References to 20-20-401:*
a20-20-417 }

Section 211. Section 20-20-417, MCA, is amended to read:

"20-20-417. Request for county election administrator to conduct election. (1) By June 1 of each year, the trustees of a district may request the county election administrator to conduct certain school elections during the ensuing school fiscal year.

(2) Whenever the county election administrator agrees to

conduct a school election, the administrator shall:

(a) perform the duties imposed on the trustees and the clerk of the district for school elections in 20-20-203, 20-20-313, and 20-20-401;

(b) conduct the election in accordance with the provisions of Title 13, chapters 13 and 15, except as provided 20-20-401;

and

(c) deliver to the trustees, for the purpose of canvassing the vote, the certified tally sheets and other items as provided in 13-15-301.

(3) Whenever the trustees request the county election administrator to conduct a school election, the school district shall pay the costs of the election as provided in 13-1-302."

{*Internal References to 20-20-417:*
a20-20-401 }

Section 212. Section 22-1-304, MCA, is amended to read:

"22-1-304. Tax levy -- special library fund -- bonds. (1) Subject to 15-10-420, the governing body of a city or county that has established a public library may levy in the same manner and at the same time as other taxes are levied a tax in the amount necessary to maintain adequate public library service.

(2) (a) The governing body of a city or county may by resolution submit the question of imposing a tax levy to a vote of the qualified electors at an election as provided in 15-10-425. The resolution must be adopted at least ~~75~~ 90 days prior to the election at which the question will be voted on to

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coordinate with the time period provided in [section 4(4)] for conducting a special purpose district election and with subsection (2)(b).

(b) Upon a petition being filed with the governing body and signed by not less than 5% of the resident taxpayers of any city or county requesting an election for the purpose of imposing a mill levy, the governing body shall submit to a vote of the qualified electors at ~~the next~~ an election ~~or at a special election,~~ conducted as provided in 15-10-425, the question of imposing the mill levy. The petition must be delivered to the governing body at least 90 days prior to the election at which the question will be voted on.

(3) The proceeds of the tax constitute a separate fund called the public library fund and may not be used for any purpose except those of the public library.

(4) Money may not be paid out of the public library fund by the treasurer of the city or county except by order or warrant of the board of library trustees.

(5) Bonds may be issued by the governing body in the manner prescribed by law for the following purposes:

(a) building, altering, repairing, furnishing, or equipping a public library or purchasing land for the library;

(b) buying a bookmobile or bookmobiles; and

(c) funding a judgment against the library."

{*Internal References to 22-1-304:*

x7-11-1112 x22-1-301 * x22-1-316 x22-1-326 * }

Section 213. Section 22-1-703, MCA, is amended to read:

"22-1-703. Election on creation of district. (1) The election on the question of whether to create a public library district must be conducted as provided in ~~Title 13~~ [section 4].

(2) Only qualified electors residing within the proposed public library district may vote on the question of whether to create the district.

(3) The question of creating a public library district must be submitted to the electors in substantially the following form:

[] FOR the creation of a public library district that may levy not more than ... mills of property tax for the operation of the district.

[] AGAINST the creation of a public library district."

{*Internal References to 22-1-703:*
a22-1-708 }

Section 214. Section 22-1-706, MCA, is amended to read:

"22-1-706. Election of board of trustees -- compensation -- removal -- single-member trustee districts. (1) After appointment of the initial members of the board of trustees, all members must be elected by the electors of the public library district.

(2) The election of members to the board of trustees must be held in ~~conjunction with the annual school elections held pursuant to 20-3-304~~ accordance with [section 4].

(3) (a) A candidate for the office of trustee of the public library district must be a resident of the district and must be nominated by petition, signed by at least five electors of the

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district and filed with the office of the election administrator ~~not earlier than 135 days or later than 75 days prior to the election day~~ within the time period specified in [section 2].

(b) If the district lies in more than one county, the petition for nomination must be presented to the election administrator whose county contains the largest percentage of territory in the district.

(4) If the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held, the county governing body shall declare elected by acclamation each candidate who filed a nomination petition for a position. If a nomination petition is not filed for an office, the county governing body of the county containing the largest percentage of the territory in the public library district shall appoint a member to fill the term. A person appointed pursuant to this subsection has the same term and obligations as a person elected to fill the office.

(5) The term of office of an elected board member begins on the date that the board member is elected ~~and qualified~~. The term of office of an elected member is 4 years, except that a simple majority of the members of the first elected board shall serve a term of 2 years, with the minority of the board serving terms of 4 years. The members serving 2-year terms must be selected by lot.

(6) A vacancy in the office of a member must be filled by appointment by the remaining members of the board. The term of

the appointed member expires upon the election ~~and qualification~~
~~of an elected~~ of a successor or upon the election of a member to
fill the unexpired term of the vacant office. The election must
be held ~~at the next scheduled school election held pursuant to~~
~~20-3-304~~ in accordance with [section 4].

(7) Members of the board of trustees serve without
compensation.

(8) A trustee may be removed from office by a court of
competent jurisdiction pursuant to state law governing the
removal of elected officials. If charges are brought against a
trustee and if good cause is shown, the governing body of the
county containing the largest percentage of territory in the
public library district may suspend the trustee until the charges
can be heard in a court of competent jurisdiction.

(9) (a) If the trustees determine that it is in the best
interest of the electors of the public library district, they
shall:

(i) propose the creation of a single-member trustee
district plan with districts that are as compact in area and as
equal in population as possible;

(ii) schedule and hold a public hearing on the plan; and

(iii) publish a notice of the public hearing as provided in
7-1-2121.

(b) After the public hearing is held, the trustees may
amend, revise, approve, or disapprove the proposed plan. If the
plan is adopted, the trustees shall publish notice of its
adoption as provided in 7-1-2121.

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(c) All successors to the board of trustees must be elected in accordance with the adopted single-member trustee district plan, and the election of each member must be submitted to the electors of the trustee district in which the candidate resides."

{*Internal References to 22-1-706:*
a22-1-705 }

Section 215. Section 22-1-708, MCA, is amended to read:

"22-1-708. Public library district budget -- property tax levy. (1) The board of trustees shall annually prepare a budget for the ensuing fiscal year and present the budget to the governing body of each county with territory in the public library district at the regular budget meetings as prescribed in Title 7, chapter 6, part 40, and certify the amount of money necessary for the operation of the district for the ensuing fiscal year.

(2) Subject to 15-10-420, the county governing body shall, annually at the time of levying county taxes, fix and levy a tax on all taxable property within the public library district sufficient to raise the amount certified by the board of trustees and approved by the electors. The tax levied may not in any year exceed the maximum amount approved by the electorate ~~in~~ under 22-1-703 or 22-1-709."

{*Internal References to 22-1-708:*
x22-1-707 }

Section 216. Section 22-1-709, MCA, is amended to read:

"22-1-709. Election to change maximum property tax mill

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levy. (1) The maximum property tax mill levy authorized for the operation of a public library district may be changed by an election on the question of changing the maximum mill levy.

(2) A vote on the question of raising or lowering the maximum property tax mill levy in the public library district may be initiated by:

(a) a petition signed by not less than 15% of the electorate of the district; or

(b) a resolution of the board of trustees.

(3) The petition must set forth the proposed new maximum mill levy for the operation of the district.

(4) Upon receipt of a petition for a change in the maximum mill levy, certified by the county clerk as sufficient under this section, or upon receipt of a resolution for a change adopted by the board of trustees, the county governing body shall submit to the electorate of the public library district, ~~at the next regular or primary election, a ballot question on changing the maximum mill levy. The election must be held as provided in Title 13~~ an election held in accordance with [section 4]. The question must be submitted to the electors of the district in substantially the following form:

[] FOR changing the authorized maximum property tax mill levy for the operation of the public library district from to

[] AGAINST changing the authorized maximum property tax mill levy for the operation of the public library district."

{*Internal References to 22-1-709:*
a22-1-708 }

Section 217. Section 22-1-710, MCA, is amended to read:

"22-1-710. Dissolution of public library district. (1) A public library district may be dissolved after an election on the question of dissolving the district. The process of dissolving the district may be initiated by a petition of 15% of the electorate of the district or by a resolution of intent to dissolve the district adopted by either the board of trustees or the governing body of the county in which territory of the district is located.

(2) Upon receipt of a petition that has been certified by the county clerk as sufficient under this section or upon adoption of a resolution of intent, the county governing body shall hold a public hearing on the question of dissolving the public library district. Notice of the hearing must be published as provided in 7-1-2121.

(3) At the public hearing, the county governing body shall hear testimony of interested persons regarding the dissolution of the public library district. After the public hearing, the county governing body may either submit the question of dissolving the district to the electorate of the district or it may call for a public hearing on the question of altering the boundaries of the district. If the county governing body calls for a public hearing on the question of altering the boundaries of the district by the withdrawal of territory, it shall publish notice of the hearing

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as provided in 7-1-2121. The notice must state the boundaries of the area proposed to be withdrawn from the district. After hearing testimony at the hearing, the county governing body may submit the question of either dissolving the district or altering the district by the withdrawal of specified territory from the district to the electorate of the district.

(4) The question must be submitted by a resolution calling for an election on either dissolving the public library district or altering the boundaries of the district by the withdrawal of land from the district. The county governing body shall schedule and conduct the election in ~~conjunction with any other regularly scheduled election. The election on the question must be conducted as provided in Title 13~~ accordance with [section 4].

(5) The question of withdrawal of territory under this section must be voted upon separately by the electorate of the territory to be withdrawn and the electorate of the balance of the territory of the public library district. The question fails unless a simple majority of those voting on the question in each of the two territories authorize altering the district boundary. If the question passes, the boundary alteration is effective the following January 1. If the question fails, the county governing body shall by resolution call for an election on the question of dissolving the district."

{*Internal References to 22-1-710: None.*}

Section 218. Section 76-5-1106, MCA, is amended to read:

"76-5-1106. Requirements to change project boundaries --

election. The boundaries of a project once established shall not be extended without ~~the vote of~~ approval by a majority of the electors residing in the area proposed to be annexed. ~~Such electors are to be determined, and such~~ The election is to shall be held in accordance with the provisions of ~~76-5-1117~~ [section 4]."

{Internal References to 76-5-1106: None.}

Section 219. Section 76-15-302, MCA, is amended to read:

"76-15-302. Nominations for supervisor candidates. ~~(1)~~
Within 30 days after the date of issuance of a certificate of organization of a conservation district by the secretary of state, nominating petitions may be filed with the election administrator, as defined in ~~Title 13~~ 13-1-101, to nominate candidates for supervisors of the district. A nominating petition may not be accepted by the election administrator unless it is signed by 10 or more qualified electors within the boundaries of the district in which the nominee resides. Qualified electors may sign more than one nominating petition to nominate more than one candidate for supervisor.

~~(2) If more than twice the number of candidates are nominated than the number to be elected at the general election, the election administrator shall give due notice of a nominating election to be held for the selection of candidates for supervisor to appear on the next general election ballot. This nominating election may be held in conjunction with the state primary election."~~

{Internal References to 76-15-302:
a76-15-304 a76-15-305 }

Section 220. Section 76-15-303, MCA, is amended to read:

"76-15-303. ~~General election~~ Election of supervisors -- election by acclamation -- appointment. (1) An election for supervisors must be conducted in accordance with [section 4].

(2) All qualified electors within the district are eligible to vote in the election.

~~(2)(3)~~ (3) ~~Except as provided in subsection (5), the~~ The candidate or, if more than one supervisor position is to be filled by the ~~general~~ election, the candidates who receive the largest number, respectively, of the votes cast in the election are the elected supervisors for the district.

~~(3)(4)~~ (4) ~~In the general election, the~~ The names of the ~~individuals nominated~~ candidates must be arranged on ballots as prescribed in 13-12-205.

~~(4)~~ The election administrator in each county shall prepare suitable nonpartisan ballots or place the names of candidates on the regular general election ballot in the same manner as other nonpartisan candidates for the election of supervisors. ~~The ballots must be delivered to the election judges in those precincts that contain registered electors prior to each general election and each primary election, if necessary. The election judges and other election officials in the precincts shall submit the ballots to qualified electors, conduct the election, and tabulate the results of the election in the manner provided in~~

~~Title 13.~~

~~(5) (a) Except as provided in subsection (5)(b), if~~ If the number of candidates nominated is equal to or less than the number of positions to be elected, the election administrator shall give notice that an election will not be held.

~~(b) The governing body may require that an election be held if, not more than 10 days after the close of filing by candidates, the governing body passes a resolution to hold an election and notifies the election administrator.~~

~~(c) If an election is not held, the governing body shall declare elected by acclamation the candidate who filed a nominating petition for the position. If no candidate has filed a nominating petition for the position, the governing body shall make an appointment to fill the position. Supervisors taking office pursuant to this subsection~~ An appointed supervisor shall serve a term as if elected to the position."

{Internal References to 76-15-303: None.}

Section 221. Section 76-15-305, MCA, is amended to read:

"76-15-305. Transition to seven supervisors. (1) At the time of reorganization under 76-15-301(2), the department shall appoint:

(a) one supervisor for a term to coincide with the terms of those elected supervisors whose terms will expire after the next ~~general~~ election; and

(b) one supervisor for a term to coincide with the terms of those elected supervisors whose terms will expire after the

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~~general~~ election following the next ~~general~~ election.

(2) The supervisor positions held by the appointed supervisors become open for election at the time the terms expire. A district having seven supervisors shall alternately elect four and three supervisors at succeeding ~~general~~ elections.

(3) Nominations for the election of supervisors in a district having seven supervisors must be made as provided in 76-15-302.

~~(4) The term of each elected supervisor is 4 years.~~

~~(5) The election administrator in each county having a seven-supervisor district shall conduct the election for that district in a manner similar to elections conducted for a district having five supervisors."~~

{*Internal References to 76-15-305:*
x76-15-301 a76-15-311 }

Section 222. Section 76-15-312, MCA, is amended to read:

"76-15-312. Term of office and vacancies. (1) The term of office of each supervisor is 4 years, except ~~that the~~ as provided in subsection (1)(b).

(b) The supervisors who are first appointed by the department must be designated to serve for terms of 2 years from the date of their appointment. A supervisor appointed pursuant to 76-15-311(2)(a) shall serve a term of 3 years.

(c) An elected supervisor holds office until a successor has been elected and has qualified.

(2) A vacancy is created when any of the following events

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occurs before the expiration of the term of the incumbent:

- (a) death;
- (b) a determination pursuant to Title 53, chapter 21, part 1, that the incumbent is mentally ill;
- (c) resignation;
- (d) removal from office;
- (e) unexcused absence from three consecutive regular meetings of the board of supervisors;
- (f) ceasing to reside in the district;
- (g) conviction of a felony or a violation of official duties; or
- (h) the decision of a court declaring void the incumbent's election or appointment.

(3) For the purpose of subsection (2)(e), a majority vote of the board of supervisors may excuse a supervisor from attending a meeting.

(4) A vacancy occurring in the office of an elected supervisor must be filled by appointment by the remaining supervisors until the next ~~regular~~ election, when a successor must be elected to serve the unexpired term. The election must be conducted in accordance with [section 4] in the year following the appointment."

{*Internal References to 76-15-312:*
x76-15-314 }

Section 223. Section 76-15-506, MCA, is amended to read:

"76-15-506. Bonds authorized -- election. (1) Whenever a

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board of supervisors deems it necessary, it may issue bonds payable from revenues, assessments, or both, or the district may use other financing as provided for by this part and part 6 for the cost of works.

(2) The board of supervisors may call ~~a special election to vote upon the proposition of issuing the bonds or may submit the proposition as a special question at a regular or general~~ an election to be held in accordance with [section 4].

(3) If from the returns of the election it appears that the majority of votes cast at ~~such~~ the election was in favor of and assented to the incurring of the indebtedness, then the board of supervisors may by resolution provide for the issuance of ~~such~~ the bonds.

~~(3)(4)~~ The ~~authorization of such undertaking, the form, and content~~ issuance of bonds shall be carried out in accordance with 7-7-4426, ~~7-7-4427,~~ and 7-7-4432 through 7-7-4435. ~~Validity~~ The validity of ~~such~~ the bonds, use of the bond revenue, and the refunding of the bonds shall be done in accordance with the provisions of 7-7-4425, 7-7-4430, 7-7-4501(2) and (3), and 7-7-4502 through 7-7-4505.

(4) Any bonds issued under this part and part 6 have the same force, value, and use as bonds issued by a municipality and are exempt from taxation as property within the state of Montana."

{*Internal References to 76-15-506: None.*}

Section 224. Section 76-15-605, MCA, is amended to read:

"76-15-605. Board decision. (1) The report of 76-15-603 shall be presented and read at the hearing on the petition.

(2) At the public hearing on the petition, the board of supervisors shall proceed to hear and pass upon all protests made and its decision shall be final and conclusive except when owners of more than 50% of the land in the proposed project area protest the project. If owners of more than 50% of the land protest the project, no further action may be taken for a period of 6 months from the date of the hearing, after which a new petition may be filed.

(3) If the board or boards of supervisors find that it is not feasible, desirable, or practical to establish the proposed project area, they shall make an order denying the petition and shall state therein their reasons for so doing.

(4) If, however, the board finds that the project is desirable, proper, and necessary, it shall grant the petition, establish the boundaries of the proposed project area, and notify the county election administrator that an election is to be held in the proposed area for the purpose of determining whether or not the project area shall be created. The election must be conducted in accordance with [section 4]."

{*Internal References to 76-15-605: None.*}

Section 225. Section 85-7-1702, MCA, is amended to read:

"85-7-1702. Election or appointment of commissioners -- term of office. (1) The ~~regular~~ election for commissioners in each district must be held ~~annually in accordance with~~ on the

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~~13-1-104 and 13-1-401~~ in accordance with [section 4].

(2) Candidates for the office of commissioner may be nominated by petition signed by at least five electors of the district and filed with the election administrator or deputy election administrator ~~at least 75 days before the election and signed by at least five electors of the district~~ within the time period specified in [section 2]. ~~If no nominations are made, the following procedures must be followed:~~

~~—— (a) For elections held in accordance with 13-1-401(1), the electors of the district shall write on the ballots the name of the person or persons for whom they desire to vote.~~

~~—— (b) For elections held in accordance with 13-1-401(2), the electors of the district may either accept nominations from the floor or write on the ballots the name of the person or persons for whom they desire to vote.~~

(3) If the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held, the county governing body shall declare elected by acclamation the candidate who filed a nominating petition for the position. If no candidate filed a nominating petition for the position, the board of commissioners shall make an appointment to fill the position and the term is the same as if the commissioner were elected.

(4) Within 40 days following their election, the commissioners shall meet and organize as a board by electing a president from their number and a secretary, who may or may not

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be a commissioner, and who shall each hold office at the pleasure of the board. The term of office of each commissioner begins on the date of the ~~organizational meeting after the regular election~~ and continues for 3 years and until the election and qualification of a successor.

(5) Commissioners are elected by the electors of the entire district."

{*Internal References to 85-7-1702:*
x85-7-1602 }

Section 226. Section 85-7-1712, MCA, is amended to read:

"85-7-1712. ~~Special elections~~ Call for an election. The board of commissioners may at any time call a ~~special~~ an election and submit to the qualified electors of the district any question which under the provisions of this chapter is required or which, in the judgment of the board, is proper to be submitted to popular vote. ~~Such election shall be called, noticed, and conducted and the result thereof determined and declared in the manner provided in Title 13~~ The election must be called by resolution and conducted in accordance with [section 4]."

{*Internal References to 85-7-1712:*
x85-7-1602 a85-7-1837 }

Section 227. Section 85-7-1837, MCA, is amended to read:

"85-7-1837. Limitation on irrigable acreage -- special election or petition. (1) The board of commissioners of an irrigation district shall, when authorized as provided in subsection (2), limit the amount of acreage within any farm

operation in the district that may be serviced by the district.

(2) In determining whether to impose an acreage limitation on a particular farm operation:

(a) the board of commissioners may submit the question to the qualified electors of the district by ~~special~~ election as provided in 85-7-1712; or

(b) the limitation may be imposed based on a petition signed by not less than 60% of landowners representing not less than 60% of the irrigated land within the boundaries of the irrigation district.

(3) If a limitation is imposed by special election or petition, the minimum acreage limit that may be imposed is 960 acres of land owned or leased by any individual or legal entity.

(4) An irrigation district that has imposed an acreage limitation may require certification of acreage and designation of excess acreage by the electors. Except as provided in subsection (5), the district may withhold water on all acres designated as excess acres.

(5) An individual or legal entity that owns or leases irrigated acreage in excess of the limitation at the time the process of imposing a limitation begins may continue operations without penalty and without having water withheld as long as the ownership or lease remains with that individual or legal entity.

(6) The board of commissioners may adopt regulations necessary to administer the provisions of this section."

{*Internal References to 85-7-1837: None.*}

Section 228. Section 85-7-1974, MCA, is amended to read:

"85-7-1974. Majority vote or petition necessary to contract with the state. (1) No contract may be made between an irrigation district and the state of Montana under 85-7-1971 through 85-7-1975 except upon:

(a) approval by a majority vote of those voting on the question at an election conducted ~~as prescribed~~ in accordance with [section 4] and 85-7-1710; or

(b) receipt of a petition signed by at least 60% in number and acreage of the holders of title or evidence of title to lands within the district. ~~Such~~ The petition must be addressed to the board of commissioners and must set forth the aggregate amount of money to be borrowed from various sources, including the coal severance tax bonding program provided for in Title 17, chapter 5, part 7, and the purpose for which the money will be used. The petition must include an affidavit certifying the signatures to the petition and must be filed with the secretary of the board of commissioners.

(2) In an election held for approval of a district contract under this section, the voting majority must own at least 50% of the acreage included in the district."

{*Internal References to 85-7-1974:*

x85-7-1972 * x85-7-1973 * x85-7-1974 * x85-7-1975 * }

Section 229. Section 85-7-2013, MCA, is amended to read:

"85-7-2013. Majority vote and petition requirements. (1) Bonds provided for in 85-7-2012 through 85-7-2015 may not be

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authorized or issued by or on behalf of any irrigation district organized under this chapter or by an irrigation district on behalf of a subdistrict located in the district and a contract may not be made with the United States as provided in 85-7-1906 except upon:

(a) approval by a majority vote of those voting on the question at an election conducted as provided in [section 6] with votes cast and counted as prescribed in 85-7-1710;

(b) receipt of a petition signed by at least 60%, in number and acreage, of the holders of title or evidence of title to lands included within the district or, if the bonds are issued on behalf of or if the contract relates to a subdistrict, at least 60% in number and acreage of the holders of title or evidence of title to lands within the subdistrict; or

(c) receipt of a petition signed by at least 75%, in number and acreage, of the holders of title or evidence of title to the lands who are residents of the county or counties in which lands of the district are situated or, if the bonds are issued on behalf of or if the contract relates to a subdistrict, at least 75% in number and acreage of the holders of title or evidence of title to the lands who are residents of the county or counties in which lands of the subdistrict are situated.

(2) The petition must be addressed to the board of commissioners, set forth the aggregate amount of bonds to be issued and the purpose or purposes of the bonds, have attached to it an affidavit verifying the signatures to the petition, and be filed with the secretary of the board. When bonds are issued for

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the sole purpose of redeeming or paying the existing and outstanding bonds or warrants, or both, including delinquent and accrued interest, of the district, the bonds may be authorized and issued in the manner provided for by 85-7-2019.

(3) In an election held for approval to allow a district or subdistrict to issue bonds or enter into a contract under this section, the voting majority must own at least 50% of the acreage included in the district or subdistrict."

{*Internal References to 85-7-2013:*

x85-7-304 *	x85-7-2013 *	x85-7-2014	x85-7-2016
x85-7-2031 *	x85-7-2031 *	x85-7-2032 *	x85-7-2114 * }

Section 230. Section 85-8-302, MCA, is amended to read:

"85-8-302. Election of commissioners -- regular term of office. (1) Except as provided in subsection ~~(2)~~(4), the **regular** election of commissioners must be held annually and conducted in accordance with ~~13-1-104 and 13-1-401~~ [section 4]. The term of office of commissioners shall commence on the ~~first Tuesday in May following their day of their~~ election.

(2) (a) At the first regular election following the organization of a district and in districts organized and in existence on March 1, 1921, and that, on petition, have been divided into divisions, ~~at the first regular election following the date of the order making the division,~~ three commissioners must be elected, with one commissioner being elected from each division.

(b) A commissioner must be an actual landowner in the division in which the commissioner is elected.

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(c) One of the commissioners, to be determined by lot, shall hold office ~~until the first Tuesday in May in the year following election~~ for one year; another of the commissioners, to be determined by lot, shall hold office ~~until the first Tuesday in May in the second year following election~~ for two years; and the third commissioner shall hold office ~~until the first Tuesday in May in the third year following election~~ for three years.

(3) After the election of the initial commissioners, one commissioner must be elected each year. Commissioners elected after the initial election shall hold office for a term of 3 years ~~and until a successor is elected and qualified~~. The person elected as a commissioner in each year to succeed the commissioner whose term is then expiring must be elected as a commissioner from the same division as the commissioner whose term expires.

~~(2)~~(4) If the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. If an election is not held as provided in this subsection, the county governing body shall declare elected by acclamation the candidate who filed a nominating petition for the position. If no candidate filed a nominating petition for the position, the board of commissioners shall make an appointment to fill the position, and the term is the same as if the commissioner were elected.

~~(3)~~(5) Each commissioner must be a resident of a county where a portion of the district lands is situated."

{*Internal References to 85-8-302: None.*}

Section 231. Section 85-8-306, MCA, is amended to read:

"85-8-306. Nominations. Candidates for the office of commissioner to be filled by election may be nominated by petition signed by at least five electors of the district and filed with the election administrator or deputy election administrator at least 75 days before the election and signed by at least five electors of the district within the time period specified in [section 2]. If no nominations are made, the electors of the district shall write on the ballots the name or names of the persons for whom they desire to vote. This section does not prevent an elector from voting for any qualified person, although the name does not appear on the official ballot."

{*Internal References to 85-8-306: None.*}

Section 232. Section 85-8-624, MCA, is amended to read:

"85-8-624. Assessments on improvements -- taxpayers' approval, limitations, and election procedures. (1) A vote of the persons on the assessment rolls in any existing district is required to make Chapter 409, Laws of 1973, applicable to a district.

(2) Chapter 409, Laws of 1973, does not confer upon districts created for drainage purposes only the authority to levy assessments on benefits to improvements.

(3) The election provided for by subsection (1) must be governed by the following rules:

(a) Notice of the election must be as provided in

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~~13-1-401(4)~~ 13-1-108.

(b) ~~The manner of conducting the election must be as provided in 13-1-401 and as nearly as practicable in accordance with the provisions of the general election laws of the state in Title 13, except that registration may not be required~~ election must be conducted in accordance with [section 4].

(c) The qualifications of electors must be as provided in 85-8-305, except that, in addition to persons holding title or evidence of title to lands within the district, any person, as provided in 85-8-305, who does not own land within the district but has been assessed or will have the person's improvements assessed under Chapter 409, Laws of 1973, or who will be assessed for benefits received is entitled to one vote. Commissioners shall prepare a list of persons entitled to vote, and the election administrator ~~or deputy election administrator~~ shall give them notice as provided in ~~13-1-401(4)~~ 13-1-108.

(d) The commissioners of any district in existence prior to March 21, 1973, who wish to hold an election to determine if the district is governed by Chapter 409, Laws of 1973, shall at any regular or special meeting adopt a resolution calling for an election to determine whether or not the voters of the district wish to be governed by Chapter 409, Laws of 1973. The resolution must contain a short summary of the changes made by Chapter 409, Laws of 1973, and the summary must be included in the notice provided for by ~~13-1-401(4)~~ 13-1-108. In addition, the commission shall provide copies of Chapter 409, Laws of 1973, to any person interested in obtaining a copy, and the notice to the persons in

the district calling the election must describe where and how copies may be obtained. The commissioners may authorize a reasonable charge for providing copies, not to exceed 20 cents a page.

(e) The ballot must include the summary as provided for in subsection (3)(d), and the form of the ballot must conform as closely as possible to that provided for in Title 13, chapter 27.

(f) A simple majority of those who cast valid ballots determines the outcome of the election."

{*Internal References to 85-8-624: None.*}

Section 233. Section 85-9-103, MCA, is amended to read:

"85-9-103. Definitions. As used in this chapter, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Applicant" means a person residing within the boundaries of the proposed district and making a request for a study of the feasibility of forming a conservancy district.

(2) "Board of supervisors" means the board of supervisors of the soil and water conservation district in which the largest portion of the taxable valuation of real property of the proposed district is located.

(3) "Cost of works" means the cost of construction, acquisition, improvement, extension, and development of works, including financing charges, interest, and professional services.

(4) "Court" means the district court of the judicial district in which the largest portion of the taxable valuation of

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real property of the proposed district is located and within the county in which the largest portion of the taxable valuation of real property of the proposed district is located within the judicial district.

(5) "Department" means the department of natural resources and conservation provided for in Title 2, chapter 15, part 33.

(6) "Directors" means the board of directors of a conservancy district.

(7) "District" means a conservancy district.

(8) "Elector" means a person qualified to vote under 85-9-421.

~~(9) "Notice" means publication at least once each week for 3 consecutive weeks in a newspaper published in each county or, if a newspaper is not published in a county, in a newspaper of general circulation in the county or counties in which a district is or will be located. The last published notice must appear not less than 5 days prior to any hearing or election held under this chapter.~~

~~(10)~~ "Owners" means the person or persons who appear as owners of record of the legal title to real property according to the county records, whether the title is held beneficially or in a fiduciary capacity, except that a person holding a title for purposes of security is not an owner and the owner for security may not affect the previous title for purposes of this chapter.

~~(11)~~(10) "Person" means a natural person, firm, partnership, cooperative, association, public or private corporation, including the state of Montana or the United States, foundation,

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state agency or institution, county, municipality, district or other political subdivision of the state, federal agency or bureau, or any other legal entity.

~~(12)~~(11) "Taxable valuation" is the value as defined in 15-8-111 and does not mean assessed valuation.

~~(13)~~(12) "Works" means all property, rights, easements, franchises, and other facilities, including but not limited to land, reservoirs, dams, canals, dikes, ditches, pumping units, mains, pipelines, waterworks systems, recreational facilities, facilities for fish and wildlife, and facilities to control and correct pollution."

{*Internal References to 85-9-103:*
a85-9-203 a85-9-501 a85-9-602 a85-9-623 }

Section 234. Section 85-9-203, MCA, is amended to read:

"85-9-203. Hearing by department. (1) Upon receipt of the preliminary survey report, the applicants or any one of them may request the department to hold a hearing. The department shall provide notice as required in 7-1-2121 and then hold the hearing ~~sooner~~ no later than than 61 days after receipt of the request. ~~Notice of the hearing shall be given in accordance with 85-9-103(9).~~

(2) If the department itself initiated the preliminary survey, it may hold a hearing without being requested to do so."

{*Internal References to 85-9-203: None.*}

Section 235. Section 85-9-206, MCA, is amended to read:

"85-9-206. Court hearing on petition -- election -- limits on court jurisdiction. (1) Upon receipt of a petition for organizing a district, the court shall give notice and hold a hearing on the petition. If the court finds that the petition should be granted, it shall:

(a) make and file findings of fact specifying those lands that will be directly or indirectly benefited by the proposed district and exclude those lands that will not be benefited;

(b) make an order fixing the time and place of an organizing election;

(c) order the election administrator to conduct the election in accordance with ~~the provisions of Title 13~~ [section 4];

(d) order and decree the district organized if the requisite number of eligible electors vote in favor of organization.

(2) In order for the district to be organized, 51% or more of the eligible electors must vote in the election, and a majority of those voting must vote in favor of organization. ~~The election must be conducted by mail ballot, as provided in Title 13, chapter 19, or must be held in conjunction with a regular or primary election.~~

(3) This chapter does not confer upon the court jurisdiction to hear, adjudicate, and settle questions concerning the priority of appropriation of water between districts and other persons. Jurisdiction to hear and determine priority of appropriation and questions of right growing out of or in any way

connected with a priority of appropriation is expressly excluded from this chapter and must be determined as otherwise provided by the laws of Montana."

{*Internal References to 85-9-206: None.*}

Section 236. Section 85-9-302, MCA, is amended to read:

"85-9-302. Dissolution election. (1) After receipt of petition or resolution for dissolution, the court shall order an election ~~in the way provided by 85-9-422~~ to be conducted in accordance with [section 4].

(2) For dissolution to be approved, a majority of the electors voting must favor dissolution."

{*Internal References to 85-9-302: None.*}

Section 237. Section 85-9-408, MCA, is amended to read:

"85-9-408. Contracts and agreements by directors. On behalf of the district, the directors may:

(1) contract for service, for water furnished, or for the sale of water with any person;

(2) cooperate with; accept grants, loans, and other assistance from; act as agent for; and enter into agreements with any and all state or federal agencies and exercise all necessary or convenient powers in connection therewith;

(3) enter into any obligation or contract with an agency of the federal government for the construction, operation, and maintenance of works or for the assumption as principal or guarantor of indebtedness to the United States on account of

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district lands under the provisions of the federal reclamation act and rules established under that act or contract with an agency of the federal government for a water supply under any federal act providing for or permitting such a contract. However, the action must be approved by a majority of the electors voting at an election ~~held as provided in 85-9-422~~ conducted in accordance with [section 4]. If a contract is made with an agency of the federal government, the directors may deposit bonds of the district with the United States at 90% of their par value to secure the amount to be paid by the district to the United States under any contract. The interest on the bonds of the district to be applied as specified by the contract. If bonds of the district are deposited with the United States, it is the duty of the directors to make an assessment sufficient to meet all payments accruing under the terms of any contract with the United States.

(4) accept appointment of the district as fiscal agent for the United States or authorization of the district to make collections of moneys for or on behalf of the United States in connection with any federal reclamation projects, and the district is authorized to act and to assume the duties and liabilities incident to this action. However, the action must be approved by a majority of the electors voting at an election held as provided in 85-9-422. The directors may do all things required by federal statutes and rules and require prompt payment of all charges as a prerequisite to water service.

(5) make contracts incidental to the performance of the district's functions and employ and fix the compensation of

employees, agents, or consultants as are deemed necessary, including but not limited to a manager, attorneys, accountants, engineers, construction and financial experts;

(6) cooperate with soil and water conservation districts to obtain agreements to carry out soil conservation measures and proper farm plans from owners of lands situated in the drainage area above each retention reservoir to be installed with federal assistance."

{*Internal References to 85-9-408: None.*}

Section 238. Section 85-9-501, MCA, is amended to read:

"85-9-501. Merger of districts. (1) In case two or more districts have been organized in a territory which, in the opinion of the directors of each of the districts, should constitute but one district, the directors of the districts may petition the court for an order merging the districts into a single district. The petition shall be filed in the office of the clerk of the district court in and for that county which has the largest portion of taxable valuation of property within the districts sought to be included, as shown by the tax rolls of the respective counties. The petition shall set forth facts showing that the purposes of this chapter would be served by the merging of the districts and that the merger would promote the economical execution of the purposes for which the districts were organized. A copy of the petition shall be filed with the department.

(2) Upon the filing of the petition, the court shall by order fix a time and place of hearing, and the clerk shall give

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notice ~~as specified in 85-9-103(9), as well as by mail to as~~
provided in 7-1-2121 and also notify by mail the directors of the
districts which would be merged. The notice shall contain the
purpose, time, and the place of the hearing.

(3) Upon the hearing, should the court find that the
averments of the petition are true and that the districts or any
of them could feasibly and profitably be merged, it shall order
that the merger take place and the districts shall be merged into
one district and proceed as such. The court shall designate the
corporate name of the district, and further proceedings shall be
taken as provided for in this chapter. The court shall by order
appoint the directors of the district, who shall thereafter have
powers and be subject to rules as are provided for directors in
districts created in the first instance.

(4) Instead of organizing a new district from the
constituent districts, the court may, in its discretion, direct
that one or more of the districts described in the petition be
included in another of the districts, which other shall continue
under its original corporate name and organization, or the court
may direct that the district or districts so absorbed shall be
represented on the directors of the original districts,
designating what members of the directors of the original
district shall be retired from the new board and what members
representing the included district or districts shall take their
places.

(5) If the court receives a petition opposing the merger,
signed by a majority of the electors of any of the concerned

districts, the court shall not grant the order and shall dismiss the petition.

(6) Upon merger or inclusion, existing obligations shall remain exclusively with those who bore them prior to the merger or inclusion, except with the written consent, given prior to the merger or inclusion, of those who did not bear the obligations."

{*Internal References to 85-9-501: None.*}

Section 239. Section 85-9-602, MCA, is amended to read:

"85-9-602. Notice of public budget hearing. (1) The directors shall, prior to the first Monday in May of each year, give notice ~~as provided in 85-9-103(9)~~ in accordance with 7-1-2121 of the intention to hold a public budget hearing. The notice shall include the date, time, place, and general agenda.

(2) At the hearing, the directors shall:

- (a) review the present budget;
- (b) present the budget for the next year;
- (c) hear and consider protests from any elector;
- (d) adopt the budget for the next year;
- (e) set the assessment for the next year."

{*Internal References to 85-9-602:
x85-9-406*}

Section 240. Section 85-9-623, MCA, is amended to read:

"85-9-623. Issuance of bonds -- resolution and election.
When the directors find it necessary to issue bonds, the directors shall:

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- (1) pass a resolution that includes:
 - (a) the purpose or purposes for which the bonds will be issued;
 - (b) the maximum amount and term of the bonds;
 - (c) the maximum interest rate that the bonds will bear;
 - (d) whether the bonds will be repaid from revenue, assessments, or both;
- (2) give notice, ~~as provided in 85-9-103(9)~~, in accordance with 7-1-2121 that must include the resolution adopted by the directors and the location of polling places unless the election is conducted by mail ballot, as provided in Title 13, chapter 19; and
- (3) hold an election ~~as provided by 85-9-422~~ conducted in accordance with [section 4]."

{Internal References to 85-9-623: None.}

NEW SECTION. **Section 241. {standard} Repealer.** The following sections of the Montana Code Annotated are repealed:

7-2-2219. Conduct of election.

7-2-2605. Notice and conduct of election.

7-2-2603. Withdrawal of name from petition.

7-2-2710. Procedure to hold election.

7-2-4105. Notice of election on question of organization.

7-2-4603. Notice of election.

7-2-4903. Notice of election on question of disincorporation.

7-3-124. Election procedure.

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- 7-3-4209. Proclamation and notice of election.
- 7-3-4210. Form of ballot.
- 7-3-4306. Proclamation and notice of election.
- 7-3-4308. Conduct of election.

- 7-5-136. Submission of question to electors.
- 7-6-1531. Resort area district -- definitions.
- 7-6-1537. Conduct of election on question of creating resort area district.
- 7-6-1538. Qualifications to vote on question of creating resort area district.
- 7-6-1545. Resort area district board election -- canvass of vote.
- 7-6-1549. Conduct of election on question of dissolving resort area district -- qualification of electors.
- 7-7-2228. Time of holding election on question of issuing bonds.
- 7-7-4427. Special election on question of issuing bonds.
- 7-13-2235. Election and appointment procedure.
- 7-13-2236. General district election.
- 7-13-2243. Assistance for election administrator.
- 7-13-2246. Withdrawal of candidacy.
- 7-13-2247. Retention of petitions.
- 7-13-2254. Provision for vote by corporate property owner.
- 7-13-2255. Provision for vote by nonresident property owner.
- 7-13-2256. Canvass of vote.
- 7-34-2116. Election of first board of trustees.

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- 20-3-304. Annual election.
- 20-20-101. Definition.
- 20-20-202. Time limitation for conduct of election.
- 85-9-422. Election procedures.

{*Internal References to 7-2-2219: None.*
Internal References to 7-2-2605: None.
Internal References to 7-2-2603: None.
Internal References to 7-2-2710: None.
Internal References to 7-2-4105: None.
Internal References to 7-2-4603: None.
Internal References to 7-2-4903: None.
*Internal References to 7-3-124: 7-3-121 * 7-3-122 * 7-3-124 **
*7-3-124 **
*7-3-154 **
Internal References to 7-3-4209: None.
Internal References to 7-3-4210: None.
Internal References to 7-3-4306: None.
Internal References to 7-3-4308: None.
*Internal References to 7-5-136: ok3-10-101 * ok3-11-101 * ok7-1-4130 **
*ok7-3-1204 **
*ok7-5-131 * ok7-6-1504 * a7-13-4535 ok16-1-205 **

*Internal References to 7-6-1531: a7-6-1506 r7-6-1531 * r7-6-1531 **
*a7-6-1532 **
*a7-6-1535 * a7-6-1536 * r7-6-1537 * r7-6-1538 **
*a7-6-1541 * a7-6-1541 * a7-6-1542 * r7-6-1549 **
a15-65-101

*Internal References to 7-6-1537: r7-6-1531 * r7-6-1531 * a7-6-1532 **
*ok7-6-1535 **
*ok7-6-1536 * r7-6-1537 * r7-6-1538 * ok7-6-1541 **
*ok7-6-1541 * ok7-6-1542 * r7-6-1549 * a7-6-1551*

*Internal References to 7-6-1538: r7-6-1531 * r7-6-1531 * a7-6-1532 **
*ok7-6-1535 **
*ok7-6-1536 * r7-6-1537 * r7-6-1538 * ok7-6-1541 **
*ok7-6-1541 * ok7-6-1542 * r7-6-1549 * r7-6-1549*

*Internal References to 7-6-1545: r7-6-1531 * r7-6-1531 * a7-6-1532 **
*ok7-6-1535 **
*ok7-6-1536 * r7-6-1537 * r7-6-1538 * ok7-6-1541 **
*ok7-6-1541 * ok7-6-1542 * r7-6-1549 * ok7-6-1551 **

*Internal References to 7-6-1549: r7-6-1531 * r7-6-1531 * a7-6-1532 **
*ok7-6-1535 **
*ok7-6-1536 * r7-6-1537 * r7-6-1538 * ok7-6-1541 **
*ok7-6-1541 * ok7-6-1542 * r7-6-1549 **

Internal References to 7-7-2228: None.

Internal References to 7-7-4427: a76-15-506
Internal References to 7-13-2235: None.
Internal References to 7-13-2236: None.
Internal References to 7-13-2243: None.

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Internal References to 7-13-2246: a7-13-2225
Internal References to 7-13-2247: None.
Internal References to 7-13-2254: None.
Internal References to 7-13-2255: None.
Internal References to 7-13-2256: None.
Internal References to 7-34-2116: None.
Internal References to 20-3-304: a20-3-337 a20-3-338 a20-15-221
a22-1-706
a22-1-706
Internal References to 20-20-101: 13-1-101
Internal References to 20-20-202: None.
Internal References to 85-9-422: a85-9-302 a85-9-408 a85-9-408
a85-9-623 }

NEW SECTION. Section 242. {standard} Codification

instruction -- instructions to code commissioner. (1) [Sections 1 through 5] are intended to be codified as an integral part of Title 13, chapter 1, and the provisions of Title 13, chapter 1, apply to [sections 1 through 5].

(2) [Sections 6 through 10] are intended to be codified as an integral part of Title 13, chapter 1, part 4, and the provisions of Title 13, chapter 1, part 4, apply to [sections 6 through 10].

(3) The code commissioner is instructed to renumber 7-14-2507 and codify it in Title 7, chapter 14, part 1.

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