

HOUSE BILL NO. 498

INTRODUCED BY G. MACLAREN, STEINBEISSER, CLARK, MCCHESENEY, STAHL, KERNS, LEWIS,
ANKNEY

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING AN IRRIGATION DISTRICT TO ISSUE BONDS OR ENTER INTO A CONTRACT WITH THE UNITED STATES IF APPROVED BY A MAJORITY VOTE OF THE VOTERS THAT ARE ELIGIBLE TO VOTE WITHIN THE IRRIGATION DISTRICT; AMENDING SECTIONS 85-7-2013, 85-7-2014, 85-7-2016, AND 85-7-2032, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 85-7-2013, MCA, is amended to read:

"85-7-2013. Petition Majority vote and petition requirements. (1) Bonds provided for in 85-7-2012 through 85-7-2015 may not be 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 ~~petition signed by:~~

(a) approval by a majority vote of those voting on the question at an election conducted as prescribed in 85-7-1710;

~~(a)~~(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

~~(b)~~(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

1 signatures to the petition, and be filed with the secretary of the board. When bonds are issued for the sole
 2 purpose of redeeming or paying the existing and outstanding bonds or warrants, or both, including delinquent and
 3 accrued interest, of the district, the bonds may be authorized and issued in the manner provided for by 85-7-2019.

4 (3) In an election held for approval to allow a district or subdistrict to issue bonds or enter into a contract
 5 under this section, the voting majority must own at least 50% of the acreage included in the district or subdistrict."
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7 **Section 2.** Section 85-7-2014, MCA, is amended to read:

8 **"85-7-2014. Procedure after election or petition filed.** Upon an election or the filing of the petition
 9 pursuant to 85-7-2013, the board of commissioners shall, by appropriate order or resolution;:

10 (1) authorize and direct the issuance of the bonds of the district to the amount and for the purpose or
 11 purposes specified in the election or petition;

12 (2) fix the numbers, denominations, and maturity or maturities of the bonds;

13 (3) specify the rate of interest on the bonds and whether it is payable annually or semiannually;

14 (4) designate the place and method of payment of the bonds and the interest on the bonds, within or
 15 outside the state of Montana;

16 (5) prescribe the form of the bonds; and

17 (6) provide for the levy of a special tax or assessment as provided in this chapter on all the lands in the
 18 district or for a levy on a subdistrict if the bonds are issued on behalf of the subdistrict, for the irrigation and benefit
 19 of which the district or subdistrict was organized and the bonds are issued or the contract is to be made, sufficient
 20 in an amount to pay the interest on and principal of the bonds when due and all amounts to be paid to the United
 21 States under any contract between the district and the United States for which bonds of the district have not been
 22 deposited with the United States as provided in 85-7-1906."
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24 **Section 3.** Section 85-7-2016, MCA, is amended to read:

25 **"85-7-2016. Confirmation by district court.** (1) Within 10 days after the adoption of the order or
 26 resolution mentioned in 85-7-2014, the board of commissioners shall file a petition in the district court of the
 27 judicial district where the office of the board is located to determine the validity of the proceedings relative to the
 28 issuance of the bonds and the levy of the special tax or assessment.

29 (2) ~~Such~~ The action ~~shall~~ must be in the nature of a proceeding in rem, and jurisdiction of all parties
 30 interested ~~shall~~ must be had by giving notice. The petition ~~shall~~ must set forth:

- 1 (a) generally, the establishment and organization of the district;
- 2 (b) a certified copy of the election results or petition ~~mentioned~~ provided for in 85-7-2013;
- 3 (c) a certified copy of the order or resolution ~~mentioned~~ provided for in 85-7-2014;
- 4 (d) a ~~prayer~~ request for the confirmation of the proceedings of the board stated in the petition and for the
- 5 confirmation of the bond issue and the special tax or assessment levied to pay the bonds and interest thereon."

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7 **Section 4.** Section 85-7-2032, MCA, is amended to read:

8 **"85-7-2032. Amending or supplementing United States contracts -- petition or election not**
 9 **necessary.** ~~In case any~~ If a supplementary or amendatory contract ~~shall be~~ is made with the United States
 10 ~~hereunder under this part, no~~ an election or petition as required by under 85-7-2012 through 85-7-2015 ~~shall be~~
 11 ~~necessary, nor shall~~ is not necessary and the board of commissioners of ~~such the~~ irrigation district ~~be~~ is not
 12 required to proceed under 85-7-2016 through 85-7-2018 for a judicial confirmation of the making of ~~such the~~
 13 contract and the terms ~~thereof~~ of the contract. It ~~shall be~~ is sufficient in the case of a contract made with the
 14 United States ~~hereunder under this part~~ for the board of commissioners of any irrigation district to authorize the
 15 execution of the ~~same~~ the contract by its president and secretary by appropriate resolution adopted at any regular
 16 or special meeting of ~~said~~ the board of commissioners."

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18 NEW SECTION. **Section 5. Effective date.** [This act] is effective on passage and approval.

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