

HOUSE BILL NO. 368

INTRODUCED BY G. HERTZ, S. FITZPATRICK, D. LAMM, D. MOORE, K. REGIER, S. STAFFANSON,
D. ZOLNIKOV

A BILL FOR AN ACT ENTITLED: "AN ACT LIMITING THE DURATION OF VOTER-APPROVED PROPERTY
TAX LEVIES; PROVIDING AN ~~EXTENDED TERMINATION DATE~~ EXCEPTION FOR LEVIES THAT ARE
UTILIZED FOR BONDING AND FOR CERTAIN OTHER LOANS; AMENDING SECTION 15-10-425, MCA; AND
PROVIDING AN APPLICABILITY DATE."

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

Section 1. 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. 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~~ subject to subsection (6), the durational limit on the levy.

(3) Notice of the election must be prepared by the governing body and given as provided by law. 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

1 were to pass. The ballot may also include a statement of the impact of the election on homes of any other value
2 in the district, if appropriate.

3 (4) If the majority voting on the question are in favor of the additional levy, the governing body is
4 authorized to impose the levy in either the amount or the number of mills specified in the resolution or charter
5 amendment.

6 (5) A governing body, as defined in 7-6-4002, may reduce an approved levy in any fiscal year without
7 losing the authority to impose in a subsequent fiscal year up to the maximum amount or number of mills approved
8 in the election. However, nothing in this subsection authorizes a governing body to impose more than the
9 approved levy in any fiscal year or to extend the duration of the approved levy.

10 ~~(6) A voted levy is:~~

11 ~~—— (a) not subject to a durational limit when revenue from the levy is used as security for the payment of~~
12 ~~bonds; and~~

13 ~~—— (b) limited to a duration of 6 years for revenue that is not used pursuant to subsection (6)(a).~~

14 (6) (A) EXCEPT AS PROVIDED IN SUBSECTION (6)(B), A VOTED LEVY IS LIMITED TO A DURATION OF 10 YEARS.

15 (B) (I) A VOTED LEVY IS NOT SUBJECT TO A DURATIONAL LIMIT WHEN REVENUE FROM THE LEVY IS USED TO
16 SUPPORT A LIBRARY OR AS SECURITY FOR THE PAYMENT OF BONDS OR FOR REPAYMENT OF LOANS PROVIDED FOR IN TITLE
17 17, CHAPTER 5, PART 16.

18 (II) LEVIES PROVIDED FOR IN 20-9-353, 20-9-502, AND 20-9-533 ARE NOT SUBJECT TO THE LIMIT PROVIDED IN
19 SUBSECTION (6)(A)."

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21 NEW SECTION. Section 2. Saving clause. [This act] does not affect rights and duties that matured,
22 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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24 NEW SECTION. Section 3. Applicability. [This act] applies to elections conducted pursuant to
25 15-10-425 on or after [the effective date of this act].

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