



AN ACT ALLOWING A BOARD OF COUNTY COMMISSIONERS TO AUTHORIZE TRANSFER OF OWNERSHIP OF IMPROVEMENTS IN A RURAL IMPROVEMENT DISTRICT UPON RECEIPT OF A PETITION; REQUIRING THE PETITION TO INCLUDE CERTAIN INFORMATION; REQUIRING NOTICE OF A PUBLIC HEARING ON THE PROPOSED TRANSFER; REQUIRING THAT ALL RESPONSIBILITY FOR THE OPERATION AND MAINTENANCE OF THE IMPROVEMENTS AND ALL DEBT AND ASSETS OF THE DISTRICT BE TRANSFERRED IF THE TRANSFER IS APPROVED; AND AMENDING SECTION 7-8-2211, MCA.

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

**Section 1. Transfer of ownership of improvements -- petition -- hearing -- effect of transfer. (1)**

Subject to the provisions of this section, a board of county commissioners may transfer the ownership of the improvements in a district to the owners of property in a district.

(2) (a) Upon receipt of a petition signed by at least 66% of the owners of real property in a district requesting that the ownership of the improvements be transferred, the board shall, after providing public notice pursuant to 7-1-2121, hold a public hearing.

(b) The petition must include a description of the improvements that the petitioners are requesting be transferred, the reasons for the request, and a statement acknowledging that if the transfer occurs, the property owners assume responsibility for the operation and maintenance of the improvements.

(3) A copy of the notice must be mailed, as provided in 7-1-2122, to each person, firm, or corporation or the agent of the person, firm, or corporation owning real property within the district.

(4) At the public hearing, the board shall accept comment regarding the proposed transfer.

(5) Within 60 days after the hearing, the board shall decide whether to transfer ownership of the improvements to the property owners or to continue the operation of the district and maintenance and control of the improvements as provided in this part.

(6) (a) If the board decides to transfer ownership of the improvements, the property owners in the district

assume ownership and responsibility for the operation and maintenance of the improvements and the district ceases to exist.

(b) Any debts owed by or assets credited to the district become debts and assets of the property owners on the date that the transfer is approved by the board.

**Section 2.** Section 7-8-2211, MCA, is amended to read:

**"7-8-2211. Authorization to sell and exchange county property.** (1) Boards of county commissioners of this state have the power to sell, trade, or exchange any real or personal property, however acquired, belonging to the county that is not necessary to the conduct of county business or the preservation of its property.

(2) Whenever a county purchases equipment, as provided in 7-5-2301 and 7-5-2303 through 7-5-2308, county equipment that is not necessary to the conduct of the county business may be traded in as part of the purchase price after appraisal, as provided in 7-8-2214, or may be sold at public auction, as provided in 7-8-2212, in the discretion of the board.

(3) Any sale, trade, or exchange of real or personal property must be accomplished under the provisions of this title. In an exchange of real property, the properties must be appraised, and an exchange of county property may not be made unless property received in exchange for the county property is of an equivalent value. If the properties are not of equivalent values, the exchange may be completed if a cash payment is made in addition to the delivery of title for property having the lesser value.

(4) If a county owns property containing a historically significant building or monument, the county 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 county for noncompliance with conditions attached to the transfer.

(5) A county may authorize the transfer of ownership of rural improvement district improvements as provided in [section 1]."

**Section 3. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title

7, chapter 12, part 21, and the provisions of Title 7, chapter 12, part 21, apply to [section 1].

- END -

I hereby certify that the within bill,  
HB 0523, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

HOUSE BILL NO. 523

INTRODUCED BY S. BERGLEE, F. MANDEVILLE

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