

SENATE BILL NO. 184

INTRODUCED BY L. GROSSFIELD, B. STORY, S. BARTLETT, S. DOHERTY, B. GLASER, M. HALLIGAN, J.
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A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING PROPERTY TAX LAWS; ESTABLISHING
A PROCEDURE BY WHICH ALL MILL LEVIES MUST BE ESTABLISHED IN ORDER TO COMPLY WITH TAX
LIMITATIONS; ~~CHANGING HAIL INSURANCE PAYMENTS FROM A PROPERTY TAX LEVY TO A FEE
ASSESSMENT; PROVIDING AN EXEMPTION FOR A PORTION OF THE VALUE OF CERTAIN CLASS FOUR
PROPERTY; PHASING IN THE VALUE CHANGE IN CLASS FOUR PROPERTY OVER 4 YEARS; PHASING IN
A RATE REDUCTION FOR CLASS TEN PROPERTY; PROVIDING FOR PERIODIC REAPPRAISAL ON A
6-YEAR CYCLE AND THE PHASING IN OF NEW VALUES;~~ AMENDING SECTIONS 2-9-212, 2-9-316, 7-1-112,
7-1-114, 7-1-2103, 7-1-4123, 7-2-2246, 7-2-2730, 7-2-2743, 7-2-2746, 7-2-2749, 7-3-184, 7-3-1104, 7-3-1227,
7-3-1310, 7-3-1311, 7-3-4442, 7-6-1506, 7-6-2319, 7-6-2321, 7-6-2345, 7-6-2348, 7-6-2501, 7-6-2502, 7-6-2511,
7-6-2512, 7-6-2513, 7-6-2522, 7-6-4209, 7-6-4232, 7-6-4259, 7-6-4261, 7-6-4272, 7-6-4401, 7-6-4405, 7-6-4406,
7-6-4407, 7-6-4421, 7-6-4438, 7-6-4452, 7-6-4453, 7-7-2202, 7-11-1106, 7-11-1112, 7-12-1132, 7-12-1133,
7-12-2154, 7-12-2158, 7-12-2161, 7-12-2165, 7-12-2167, 7-12-2202, 7-12-4102, 7-12-4106, 7-12-4176,
7-12-4177, 7-12-4178, 7-12-4179, 7-12-4181, 7-12-4186, 7-12-4188, 7-12-4190, 7-12-4192, 7-12-4222,
7-12-4225, 7-12-4328, 7-12-4332, 7-12-4333, 7-12-4425, 7-12-4611, 7-13-124, 7-13-144, 7-13-216, 7-13-2221,
7-13-2302, 7-13-2528, 7-13-3020, 7-13-3027, 7-13-4309, 7-13-4406, 7-14-111, 7-14-232, 7-14-1111, 7-14-1131,
7-14-2101, 7-14-2205, 7-14-2501, 7-14-2502, 7-14-2503, 7-14-2731, 7-14-2801, 7-14-2807, 7-14-4106,
7-14-4643, 7-14-4644, 7-14-4703, 7-14-4713, 7-14-4734, 7-15-4281, 7-15-4283, 7-15-4286, 7-15-4292, 7-16-101,
7-16-2102, 7-16-2108, 7-16-2109, 7-16-2205, 7-16-2411, 7-16-2423, 7-16-2431, 7-16-2443, 7-16-4105,
7-16-4113, 7-16-4114, 7-21-3203, 7-21-3410, 7-21-3432, 7-21-3433, 7-22-2142, 7-22-2222, 7-22-2306,
7-22-2432, 7-22-2512, 7-22-4101, 7-32-4117, 7-33-2109, 7-33-2209, 7-33-4111, 7-33-4130, 7-34-102, 7-34-2122,
7-34-2133, 7-34-2417, 7-35-2122, 10-3-405, 13-13-230, 15-1-402, 15-2-302, 15-6-134, 15-6-143, 15-6-201,
15-7-103, 15-7-111, 15-7-403, 15-8-111, 15-10-204, 15-10-205, 15-10-401, 15-10-402, 15-16-117, 15-16-203,
15-23-214, ~~15-24-922,~~ 15-24-1402, 15-24-1501, 15-24-1603, 15-36-323, 19-3-204, 19-7-404, 19-9-209,
19-13-214, 19-18-504, 19-19-301, 20-3-205, 20-3-324, 20-6-413, 20-7-705, 20-7-714, 20-9-131, 20-9-141,
20-9-142, 20-9-151, 20-9-152, 20-9-168, 20-9-303, 20-9-308, 20-9-331, 20-9-333, 20-9-360, 20-9-404, 20-9-438,
~~20-9-501, 20-10-144, 20-10-146,~~ 20-10-147, 20-15-305, 20-15-311, 20-15-313, 20-15-314, 20-15-326, 20-25-423,

1 20-25-439, 22-1-304, 22-1-316, 23-4-303, 41-5-1804, 50-2-111, 50-2-114, 53-2-322, 53-2-813, 53-20-208,
 2 67-10-402, 67-11-201, 67-11-301, 67-11-302, 75-10-112, 76-1-111, 76-1-403, 76-1-404, 76-1-405, 76-1-406,
 3 76-1-407, 76-2-102, 76-5-1116, 76-6-109, 76-15-501, 76-15-505, 76-15-516, 76-15-518, 76-15-623, ~~80-2-203,~~
 4 ~~80-2-204, 80-2-205, 80-2-207, 80-2-221, 80-2-222, 80-2-223, 80-2-225, 80-2-226, 80-2-228, 80-2-229, 80-2-230,~~
 5 ~~80-2-232, 80-2-244, 80-11-206, 81-6-104, 81-6-204, 81-6-209, 81-7-118, 81-7-201, 81-7-202, 81-8-504,~~
 6 85-3-422, 85-7-206, 85-7-307, 85-7-1953, 85-7-1973, 85-7-2104, 85-7-2117, 85-7-2134, 85-7-2136, 85-8-601,
 7 85-8-615, 85-8-618, 90-5-112, 90-6-309, 90-6-310, AND 90-6-403, MCA; AMENDING SECTION 1, SENATE BILL
 8 NO. 79, 1999; REPEALING SECTIONS 7-6-2514 AND 15-10-412, MCA; PROVIDING AN IMMEDIATE
 9 EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

10

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

12

13 NEW SECTION. Section 1. Procedure for calculating levy. (1) A governmental entity authorized to
 14 impose a levy shall calculate AND IMPOSE UP TO the number of mills required to generate the amount of property
 15 tax actually ~~collected~~ IMPOSED in the governmental unit in the prior year PLUS THAT NUMBER OF MILLS APPLIED TO
 16 THE VALUE OF IMPROVEMENTS OR NEWLY TAXABLE PROPERTY IN THE GOVERNMENTAL UNIT.

17 (2) A governmental entity shall apply the levy calculated pursuant to subsection (1) plus any additional
 18 levies authorized by the voters to all property in the governmental unit.

19 ~~———— (3) A governmental unit shall refund or credit to the property taxpayers in the governmental unit any~~
 20 ~~amount of property tax collected in the governmental unit in excess of the amount of property tax collected in the~~
 21 ~~prior year that is not attributable to:~~

22 ~~———— (a) improvements made to property located in the governmental unit;~~

23 ~~———— (b) taxable personal property being moved into the governmental unit;~~

24 ~~———— (c) the boundary of a governmental unit being extended;~~

25 ~~———— (d) levies authorized by the voters of the governmental unit;~~

26 ~~———— (e) bonds authorized by the voters of the governmental unit.~~

27 ~~———— (4) A refund or credit required by subsection (3) must be prorated to all property taxpayers who paid~~
 28 ~~property taxes in the prior year and who continue to have a property tax liability in the current year. The refund~~
 29 ~~or credit made pursuant to subsection (3) must be made within 1 year after the prior year's tax payment deadline.~~
 30 ~~A refund must include an amount for interest on the excess at the rate of 10% a year. A credit on the following~~

1 year's tax liability must include an additional amount to provide interest at the rate of 10% a year on the amount
2 of credit calculated pursuant to this subsection:

3 (3) SUBSECTION (1) DOES NOT APPLY TO THE BASE BUDGET LEVY DEFINED IN 20-9-306, THE COUNTY LEVY FOR
4 RETIREMENT PROVIDED FOR IN 20-9-501, OR THE COUNTY LEVY FOR TRANSPORTATION PROVIDED FOR IN 20-10-144.

5

6 **Section 2.** Section 2-9-212, MCA, is amended to read:

7 **"2-9-212. Political subdivision tax levy to pay premiums.** ~~Notwithstanding any provisions of law to~~
8 ~~the contrary~~ Subject to [section 1], a political subdivision, except for a school district, may levy an annual property
9 tax in the amount necessary to fund the premium for insurance, deductible reserve fund, and self-insurance
10 reserve fund as ~~herein~~ authorized in this section and to pay the principal and interest on bonds or notes issued
11 pursuant to 2-9-211(5); ~~even though as a result of such levy the maximum levy as otherwise restricted by law is~~
12 ~~exceeded thereby, provided that the revenues derived therefrom may not be used for any other purpose."~~

13

14 **Section 3.** Section 2-9-316, MCA, is amended to read:

15 **"2-9-316. Judgments against governmental entities except state.** Except as provided in 15-1-402
16 and [section 1], a political subdivision of the state shall satisfy a final judgment out of funds that may be available
17 from the following sources:

18

(1) insurance;

19

(2) the general fund or any other funds legally available to the governing body;

20

(3) a property tax, otherwise properly authorized by law, collected by a special levy authorized by law,
21 in an amount necessary to pay any unpaid portion of the judgment, except that ~~such~~ the levy may not exceed 10
22 mills;

23

(4) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of deriving
24 revenue for the payment of the judgment liability. ~~The governing body of a county, city, or school district is hereby~~
25 ~~authorized to issue such bonds pursuant to procedures established by law.~~ Property taxes may be levied to
26 amortize ~~such~~ the bonds, provided the levy for payment of ~~any such~~ the bonds or judgments may not exceed, in the
27 aggregate, 10 mills annually."

28

29 **Section 4.** Section 7-1-112, MCA, is amended to read:

30 **"7-1-112. Powers requiring delegation.** A local government with self-government powers is prohibited

1 the exercise of the following powers unless the power is specifically delegated by law:

2 (1) the power to authorize a tax on income or the sale of goods or services, except that, subject to
 3 [section 1], this section ~~shall~~ may not be construed to limit the authority of a local government to levy any other
 4 tax or establish the rate of any other tax;

5 (2) the power to regulate private activity beyond its geographic limits;

6 (3) the power to impose a duty on another unit of local government, except that nothing in this limitation
 7 ~~shall affect~~ affects the right of a self-government unit to enter into and enforce an agreement on interlocal
 8 cooperation;

9 (4) the power to exercise any judicial function, except as an incident to the exercise of an independent
 10 self-government administrative power;

11 (5) the power to regulate any form of gambling, lotteries, or gift enterprises."
 12

13 **Section 5.** Section 7-1-114, MCA, is amended to read:

14 **"7-1-114. Mandatory provisions.** (1) A local government with self-government powers is subject to the
 15 following provisions:

16 (a) all state laws providing for the incorporation or disincorporation of cities and towns; for the
 17 annexation, disannexation, or exclusion of territory from a city or town; for the creation, abandonment, or
 18 boundary alteration of counties; and for city-county consolidation;

19 (b) Title 7, chapter 3, part 1;

20 (c) all laws establishing legislative procedures or requirements for units of local government;

21 (d) all laws regulating the election of local officials;

22 (e) all laws that require or regulate planning or zoning;

23 (f) any law directing or requiring a local government or any officer or employee of a local government
 24 to carry out any function or provide any service;

25 (g) any law regulating the budget, finance, or borrowing procedures and powers of local governments,
 26 except that the mill levy limits established by ~~state law do not~~ [section 1] apply;

27 (h) Title 70, chapters 30 and 31.

28 (2) These provisions are a prohibition on the self-government unit acting other than as provided."
 29

30 **Section 6.** Section 7-1-2103, MCA, is amended to read:

1 **"7-1-2103. County powers.** A county has power to:
 2 (1) sue and be sued;
 3 (2) purchase and hold lands within its limits;
 4 (3) make ~~such~~ contracts and purchase and hold ~~such~~ personal property ~~as~~ that may be necessary to
 5 the exercise of its powers;
 6 (4) make ~~such~~ orders for the disposition or use of its property ~~as~~ that the interests of its inhabitants
 7 require;
 8 (5) subject to [section 1], levy and collect ~~such~~ taxes for the purposes under its exclusive jurisdiction ~~as~~
 9 that are authorized by ~~this code or by special statutes~~ law."

10

11 **Section 7.** Section 7-1-4123, MCA, is amended to read:

12 **"7-1-4123. Legislative powers.** A municipality with general powers has the legislative power, subject
 13 to the provisions of state law, to adopt, amend, and repeal ordinances and resolutions required to:

- 14 (1) preserve peace and order and secure freedom from dangerous or noxious activities;
 15 (2) secure and promote the general public health and welfare;
 16 (3) provide any service or perform any function authorized or required by state law;
 17 (4) exercise any power granted by state law;
 18 (5) subject to [section 1], levy any tax authorized by state law;
 19 (6) appropriate public funds;
 20 (7) impose a special assessment reasonably related to the cost of any special service or special benefit
 21 provided by the municipality or impose a fee for the provision of a service;
 22 (8) grant franchises; and
 23 (9) provide for its own organization and the management of its affairs."

24

25 **Section 8.** Section 7-2-2246, MCA, is amended to read:

26 **"7-2-2246. Settlement between counties following adjustment of indebtedness.** (1) The sum of ~~said~~
 27 the ascertained value of the property referred to in 7-2-2245 added to the ascertained proportion of the excess
 28 referred to in 7-2-2245 ~~which~~ that the new county is to pay the old county and its proportion of the expense of ~~said~~
 29 the election, ~~as aforesaid, shall be~~ is an indebtedness from the new county to the old county, and the property
 30 situated, ~~as aforesaid,~~ in the new county ~~shall~~ must, upon settlement ~~therefor~~ as provided in this part, become

1 the property of the new county, and the old county shall pay the entire indebtedness against it.

2 (2) If, upon the settlement between the old and the new counties, ~~as herein provided for,~~ the new county
 3 ~~shall be~~ is found to be indebted to the old county or either of the old counties, subject to [section 1], the money
 4 necessary to pay ~~said the~~ indebtedness ~~shall~~ must be raised by a tax levied upon the property contained in ~~said~~
 5 the new county and ~~said the~~ new county shall pay the ~~same~~ indebtedness. ~~Such~~ The payment by ~~said the~~ new
 6 county may be made in not more than three equal annual payments or by funds to be derived from the sale of
 7 bonds of ~~said the~~ new county, as may be determined by a ~~resolution of the board of county commissioners of said~~
 8 vote in the new county ~~adopted within 1 year~~ after the receipt of the statement from the board of commissioners;
 9 ~~as aforesaid,~~ of the amount or amounts due from it.

10 (3) If the value of the property belonging to the old county exceeds the indebtedness of the old county,
 11 then the old county shall pay to the new county a ~~due~~ proportion of ~~such the~~ excess; ~~which~~ The proportion ~~shall~~
 12 must be determined by the board of county commissioners and ~~shall~~ must be paid by the old county to the new
 13 county in the same manner and subject to the same conditions ~~herein~~ provided for payment by the new county
 14 to the old county when the indebtedness of the old county exceeds the value of the property in the old county."

15
 16 **Section 9.** Section 7-2-2730, MCA, is amended to read:

17 **"7-2-2730. Establishment of special warrant district or special funding bond district in continuing**
 18 **county.** (1) After all warrants have been drawn and issued against the funds of ~~such the~~ adjoining county to pay
 19 the claims and demands existing against ~~such the~~ county on the date when the territory of ~~such the~~ abandoned
 20 and abolished county was attached to ~~such the~~ adjoining county, all money in the funds of ~~such the~~ adjoining
 21 county ~~shall~~ must be used and applied in payment of the warrants drawn against its respective funds. If ~~such the~~
 22 money is not sufficient to pay all of ~~such the~~ warrants, with ~~the~~ interest ~~thereon~~, then the board of county
 23 commissioners shall make an order creating a special warrant district and shall include within ~~such the~~ district
 24 all of the territory of ~~such the~~ adjoining county but ~~shall~~ may not include ~~therein~~ any of the territory of ~~such the~~
 25 abandoned and abolished county. ~~and shall, thereafter and at the~~ Subject to [section 1], at the time of making
 26 levies for county purposes, the board of county commissioners shall levy a special tax against all taxable property
 27 in ~~such the~~ district to pay the warrants, with interest ~~thereon~~, outstanding against the funds of ~~said the~~ county.
 28 ~~The board may in its discretion extend such~~ Subject to [section 1], the tax levy may extend over a period of not
 29 to exceed 3 years.

30 (2) (a) If it ~~shall appear~~ appears to the board that it will require too large a tax levy to pay ~~such the~~

1 warrant indebtedness, with interest ~~thereon~~, within 3 years, ~~such the~~ board, instead of creating a special warrant
 2 district, ~~shall create and establish a~~ may submit to the voters the creation of a special funding bond district and
 3 ~~shall include within the boundaries thereof all of the territory within such adjoining county but shall not include~~
 4 ~~therein any of the territory of the abandoned and abolished county attached to such adjoining county. After all~~
 5 ~~money in the several funds of said county applicable thereto has been applied in payment of such outstanding~~
 6 ~~warrants and interest thereon and without submitting the question of doing so to an election, such board may~~
 7 ~~issue bonds in an amount sufficient to pay and redeem all such warrants remaining outstanding, with interest~~
 8 ~~thereon.~~

9 (b) ~~Such~~ The bonds ~~shall~~ must be issued in the name of ~~said~~ the adjoining county and shall contain
 10 recitals to the effect that the principal and interest ~~thereof~~ will be paid by ~~millage~~ tax levies against the property
 11 situated within the boundaries of ~~said~~ the county as the ~~same~~ boundaries existed before the territory of ~~such~~ the
 12 ~~abandoned and abolished county was attached thereto and that none of the property within the territory of such~~
 13 ~~the~~ abandoned and abolished county will be subjected to ~~such~~ the levies. Except as otherwise provided ~~herein~~
 14 ~~in this section, said~~ the bonds ~~shall~~ must be issued and sold and tax levies ~~shall be fixed and~~ made to pay the
 15 principal and interest ~~thereof as the same becomes due~~ on the bonds in the manner provided by 7-7-107,
 16 7-7-108, 7-7-123, 7-7-124, 7-7-2104, 7-7-2106, and parts 22 and 23 of chapter 7 and all the provisions ~~thereof~~,
 17 ~~so far as applicable thereto, shall apply to such~~ the bonds."

18
 19 **Section 10.** Section 7-2-2743, MCA, is amended to read:

20 **"7-2-2743. Collection of taxes and other money.** ~~Taxes~~ Subject to [section 1], taxes levied for all ~~such~~
 21 ~~funds which~~ that were delinquent on the day ~~when such~~ the county ceased to exist and for which tax sales had
 22 not been held and all ~~licenses and~~ other money owing to ~~such~~ the county at ~~such that~~ that time ~~shall~~ must be collected
 23 by the treasurer of the county designated in the petition for abandonment as the county to which its territory is
 24 to be attached and become a part and placed in and deposited to the credit of the funds of ~~such~~ the abandoned
 25 and abolished county to which the same properly belong."

26
 27 **Section 11.** Section 7-2-2746, MCA, is amended to read:

28 **"7-2-2746. Details relating to special warrant district.** (1) ~~The~~ Subject to [section 1], the board of
 29 county commissioners creating a special warrant district shall, ~~thereafter and~~ at the time of making and fixing tax
 30 levies for county purposes, make and fix a levy against all taxable property within ~~such~~ the special warrant district

1 for the payment of ~~said~~ warrants and the interest ~~thereon~~ on the warrants. The proceeds of ~~such~~ the levy, when
 2 collected, ~~shall~~ must be deposited by the county treasurer in a separate fund ~~which shall~~ that may be used only
 3 for the payment of ~~said~~ the warrants and interest ~~and for no other purpose~~.

4 (2) ~~Said~~ The tax levy ~~need not be made at such a rate as will pay all of said warrants, with interest, in~~
 5 ~~1 year, but if said board shall deem it for the best interests of the taxpayers owning property within such special~~
 6 ~~warrant district, such levy may be spread over a term~~ authorized by the voters of not more than 3 years."

7
 8 **Section 12.** Section 7-2-2749, MCA, is amended to read:

9 **"7-2-2749. Payment of outstanding bonds of abandoned county.** (1) If any abandoned and abolished
 10 county ~~shall have~~ has any bonds outstanding and unpaid at the time it ceases to exist, the territory within the
 11 boundaries of ~~such~~ that county as they existed when ~~such~~ the county ~~so~~ ceased to exist shall constitute a special
 12 district for the payment ~~thereof~~ of the bonds. ~~The~~ Subject to [section 1], the board of county commissioners of
 13 the county designated in the petition for abandonment as the county to which the territory of ~~such~~ the county is
 14 to be attached and made a part shall annually levy a tax against all taxable property in ~~such~~ the taxing district
 15 sufficient to pay the interest and principal of ~~such~~ the bonds as the ~~same~~ bonds become due, and all of the
 16 provisions of 7-7-107, 7-7-108, 7-7-123, 7-7-124, 7-7-2104, 7-7-2106, and parts 22 and 23 of chapter 7 ~~shall~~
 17 apply to, govern, and control the levying and collection of ~~such~~ taxes and the payment of ~~interest and principal~~
 18 of thereof and interest on the bonds by the boards and officers of the county within which ~~such~~ the district is
 19 situated.

20 (2) Any ~~and all~~ money in any bond sinking and interest funds of ~~such~~ the abandoned and abolished
 21 county, when transmitted and paid over to the treasurer of the county to which the territory of ~~such~~ the abandoned
 22 and abolished county has been attached, ~~shall~~ must be credited to and deposited in a sinking and interest fund.
 23 All taxes levied for the payment of ~~such~~ the bonds and interest ~~and that are~~ delinquent at the time ~~such~~ the county
 24 ceased to exist, all taxes levied for ~~such~~ the sinking and interest fund in accordance with the provisions of
 25 7-2-2742 through 7-2-2750, and all other money ~~coming to the hands of such county treasurer~~ for the use or
 26 benefit of ~~such~~ the abandoned county, when not required for any other purposes under the provisions of this part,
 27 ~~shall~~ must be deposited to the credit of ~~such~~ the sinking and interest fund and used only for the payment of the
 28 principal of and interest ~~of~~ such on the bonds ~~and for no other purpose~~."

29
 30 **Section 13.** Section 7-3-184, MCA, is amended to read:

1 **"7-3-184. Financial administration.** (1) A study commission shall prepare a budget for each fiscal year
2 it is in existence and submit it to the local governing body for approval.

3 (2) (a) ~~For the support of the study commission~~ Subject to [section 1], for each fiscal year the study
4 commission is in existence, each local government under study ~~shall~~ may appropriate an amount necessary to
5 fund the study, ~~not to exceed 1 mill, and the local government may levy up to 1 mill in excess of all other mill~~
6 ~~levies authorized by law to fund the appropriation for the support of the study commission.~~

7 (b) The local government shall provide office and meeting space and clerical assistance to the study
8 commission. The cost of clerical assistance and other in-kind services provided by the local government may be
9 used to partially fulfill the appropriation ~~requirement~~ provision of subsection (2)(a).

10 (c) The local government may ~~in its discretion~~ provide additional funds and other assistance.

11 (3) The study commission may apply for and accept available private, state, and federal money and may
12 accept donations from any source.

13 (4) All money received by the study commission ~~shall~~ must be deposited with the local government
14 finance administrator. The finance administrator is authorized to disburse appropriated money of the study
15 commission on the study commission's order after approval of the budget by the governing body. Unexpended
16 money of the study commission does not revert to the general fund of the local government at the end of the fiscal
17 year but carries over to the study commission's appropriation for the following fiscal year. Upon termination of
18 the study commission, unexpended money reverts to the general fund of the local government."

19

20 **Section 14.** Section 7-3-1104, MCA, is amended to read:

21 **"7-3-1104. General powers of consolidated local governments.** A consolidated local government
22 ~~shall have~~ has and may exercise all powers that are conferred on counties, cities, or towns by the constitution
23 and laws of the state. ~~The~~ Subject to [section 1], the consolidated local government may levy all taxes ~~which that~~
24 counties, cities, and towns are authorized to levy."

25

26 **Section 15.** Section 7-3-1227, MCA, is amended to read:

27 **"7-3-1227. Petition for initiative.** (1) Any proposed ordinance, except an ordinance making ~~a tax levy~~
28 ~~or an~~ appropriation, may be submitted to the commission by petition signed by 10% of the qualified electors of
29 the municipality whose names appear on the register of voters on the date when the proposed ordinance is
30 submitted to the commission.

1 (2) All petition papers circulated with respect to any proposed ordinance ~~shall~~ must be uniform in
2 character and ~~shall~~ must contain the proposed ordinance in full.

3 (3) Proposed ordinances for repealing any existing ordinance or ordinances, in whole or in part, may be
4 submitted to the commission as provided in 7-3-1227 through 7-3-1229 for initiating ordinances."
5

6 **Section 16.** Section 7-3-1310, MCA, is amended to read:

7 **"7-3-1310. Limitation on tax levy.** (1) ~~No~~ An ordinance, conforming to [section 1], making the annual
8 tax levy ~~shall~~ must be passed fixing the rate to be levied upon all property within the municipality to defray current
9 expenses, ~~including salaries otherwise unprovided for, in excess of the maximum levies prescribed by law for~~
10 ~~general fund purposes in the county and the cities and towns which have been consolidated into a single~~
11 ~~government.~~

12 (2) ~~The tax limit provided by subsection (1) shall apply only to taxes for the purposes therein specified.~~
13 ~~Taxes required by this part or part 12 to be levied on account of the debt of the municipality or any district thereof~~
14 ~~and special taxes authorized by this part or part 12 or by the general laws of the state shall~~ are ~~not be~~ affected
15 ~~by such~~ the ~~limits, nor shall such taxes be considered in determining the limits of taxation fixed by subsection (1).~~"
16

17 **Section 17.** Section 7-3-1311, MCA, is amended to read:

18 **"7-3-1311. Authority for special taxes and special service districts.** (1) ~~The~~ Subject to [section 1],
19 a municipality ~~shall have the power and authority to~~ may levy special taxes for all purposes ~~which~~ that counties,
20 cities, and towns are authorized to levy by general laws of the state, and all of the provisions of ~~such~~ those laws
21 ~~shall be~~ are applicable to and ~~shall~~ govern and control the municipality in the levying and collection of ~~such~~ the
22 special taxes.

23 (2) ~~The~~ Subject to [section 1], the commission may by ordinance designate clearly specified districts in
24 or for which special services are to be performed and may levy upon the property in ~~any~~ such the district ~~such~~
25 a tax, in addition to any taxes authorized by 7-3-1310(1), as may be necessary with other available funds and
26 grants to pay the cost of ~~such~~ the special service or services. The boundaries of special service districts ~~shall~~
27 must be regularly reviewed by the commissioners and may be adjusted upon recommendation by an authorized
28 planning body in response to changing population patterns. ~~In no case shall such~~ An additional levy under this
29 section may not be more than 20 mills."
30

1 **Section 18.** Section 7-3-4442, MCA, is amended to read:

2 **"7-3-4442. Local improvements.** (1) ~~The Subject to [section 1], the commission shall have the power~~
3 ~~may~~ by ordinance ~~to~~ provide for:

4 (a) the construction, reconstruction, repair, and maintenance, by contract or directly by the employment
5 of labor, of all things in the nature of local improvements; and

6 (b) the payment of any part of the cost of any ~~such~~ improvement by levying and collecting special
7 assessments upon abutting, adjacent, and contiguous or other specially benefited property, as provided by
8 general law.

9 (2) Whenever the payments for ~~such~~ improvements are to extend over a period of years and are to be
10 paid for in installments, the proceedings and all things done in connection with ~~such~~ the improvements ~~are to~~
11 must be done in strict conformity with the provisions of parts 41 and 42 of chapter 12."

12

13 **Section 19.** Section 7-6-1506, MCA, is amended to read:

14 **"7-6-1506. Use of resort community tax revenues -- bond issue -- pledge.** (1) Unless otherwise
15 restricted by the voter-approved tax authorization provided for in 7-6-1504, a resort community may appropriate
16 and expend ~~revenues~~ revenue derived from a resort tax for any activity, undertaking, or administrative service
17 that the municipality is authorized by law to perform, including costs resulting from the imposition of the tax.

18 (2) A resort community may issue bonds to provide, install, or construct any of the public facilities,
19 improvements, or undertakings authorized under 7-7-4101, 7-7-4404, and 7-12-4102. Bonds issued under this
20 section must be authorized by a resolution of the governing body, stating the terms, conditions, and covenants
21 of the municipality as the governing body considers appropriate. The bonds may be sold at a discount at a public
22 or private sale.

23 (3) ~~A Subject to [section 1], a~~ resort community may pledge for repayment of bonds issued under this
24 section the ~~revenues~~ revenue derived from a resort tax, special assessments levied for and ~~revenues~~ revenue
25 collected from the facilities, improvements, or undertakings for which the bonds are issued, and any other source
26 of revenue authorized by the legislature to be imposed or collected by the resort community. ~~Such~~ The bonds
27 do not constitute debt for purposes of any statutory debt limitation, provided that in the resolution authorizing the
28 issuance of the bonds the municipality determines that the resort tax ~~revenues~~ revenue, special assessments
29 levied for and ~~revenues~~ revenue from ~~such~~ facilities, improvements, or undertakings, or any other sources of
30 revenue, ~~if any~~, pledged to the payment of the bonds will be sufficient in each year to pay the principal thereof

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

7
 8 **Section 20.** Section 7-6-2319, MCA, is amended to read:

9 **"7-6-2319. Determination of fund requirements to be met by tax levy -- exception.** (1) Following the
 10 determinations required by 7-6-2318, the board shall determine the amount to be raised by tax levy for each fund
 11 by adding the cash balance in the fund at the close of the preceding fiscal year and the amount of the estimated
 12 revenue to accrue to the fund during the current fiscal year. It shall then deduct the total amount obtained from
 13 the total amount of the appropriations and authorized expenditures from the fund as determined by the board.
 14 The amount remaining is the amount necessary to be raised for the fund by tax levy during the current fiscal year.

15 (2) The board may add to the amount necessary to be raised for any fund by tax levy during the current
 16 fiscal year an additional amount as a reserve to meet expenditures to be made from the fund during the months
 17 of July to November of the next fiscal year. The amount that may be added to any fund as the reserve may not
 18 exceed one-third of the total amount appropriated and authorized to be spent from the fund during the current
 19 fiscal year, after deducting from the amount of the appropriations and authorized expenditures the total amount
 20 appropriated and authorized to be spent for election expenses and payment of emergency warrants.

21 (3) The total amount to be raised by tax levy for any fund during the current fiscal year, including the
 22 amount of the reserve and any amount for payment of election expenses and emergency warrants, may not
 23 exceed the total amount ~~which~~ that may be raised for the fund by a tax levy ~~which~~ that does not exceed the
 24 maximum levy permitted by law to be made for the fund and that complies with [section 1].

25 (4) This section does not apply to a county that has adopted the alternative accounting method provided
 26 for in Title 7, chapter 6, part 6."

27
 28 **Section 21.** Section 7-6-2321, MCA, is amended to read:

29 **"7-6-2321. Fixing of tax levy -- exception.** (1) On or before the second Monday in August and after the
 30 approval and adoption of the final budget, the board of county commissioners shall fix the tax levy for each fund

1 at a rate ~~which~~ that will raise the amount set out in the budget as the amount necessary to be raised by tax levy
 2 for the fund during the current fiscal year. The taxable valuation of the county for the current fiscal year must be
 3 the basis for determining the amount of the tax levy for each fund. ~~Each~~ Subject to [section 1], each tax levy must
 4 be at a rate not higher than is required on that basis, without including any amount for anticipated tax delinquency,
 5 to produce the amount set out in the budget, without including any amount for anticipated tax delinquency, that
 6 is the amount to be raised by tax levy.

7 (2) The tax levy must be made in the manner provided by 15-10-201.

8 (3) This section does not apply to a county that has adopted the alternative accounting method provided
 9 for in Title 7, chapter 6, part 6."
 10

11 **Section 22.** Section 7-6-2345, MCA, is amended to read:

12 **"7-6-2345. Use of emergency warrants.** (1) All emergency expenditures ~~shall~~ must be made by the
 13 issuance of emergency warrants drawn against the fund or funds properly chargeable with ~~such~~ the expenditures.
 14 The county treasurer is authorized and directed to pay ~~such~~ the emergency warrants with any money in ~~such~~ the
 15 fund or funds available for such purpose. If at any time there ~~shall~~ is not be sufficient money available in ~~such~~ the
 16 fund or funds to pay ~~such~~ the warrants, then ~~such~~ the warrants ~~shall~~ must be registered, bear interest, and be
 17 called in for payment in the manner provided by law for other county warrants.

18 (2) The county clerk and recorder shall include in ~~his~~ the annual tabulation ~~to be~~ submitted to the board
 19 of county commissioners the total amount of emergency warrants issued during the preceding fiscal year. Subject
 20 to the provisions of [section 1] and subsection (3) of this section, the county commissioners shall, in their tax
 21 levies, include a levy for each fund sufficient to raise an amount equal to the total amount of ~~such~~ the warrants,
 22 if there ~~be~~ are any, remaining unpaid at the close of ~~such~~ the preceding fiscal year because of insufficient money
 23 in ~~such~~ the fund to pay the same.

24 (3) (a) ~~No~~ A levy ~~shall~~ may not be made for any fund in excess of the levy authorized by law to be made
 25 ~~therefor~~ for the fund.

26 (b) The board may submit the question of funding ~~such~~ emergency warrants at any election as provided
 27 by law, and if at any ~~such~~ the election the issuing of ~~such~~ the funding bonds ~~be~~ is authorized, it ~~shall~~ is not ~~then~~
 28 ~~be~~ necessary for any levy to be made for the purpose of paying ~~such~~ the emergency warrants."
 29

30 **Section 23.** Section 7-6-2348, MCA, is amended to read:

1 **"7-6-2348. Budgets of appointed boards and commissions -- exemption for bonds.** (1) ~~With~~ Subject
 2 to [section 1] and with respect to tax and fee money, the proposed budget of and the number of mills to be
 3 assessed by any board, commission, or other governing entity, except a board of trustees of a public library and
 4 an airport authority, appointed by a local government are subject to approval by that local government.

5 (2) If a board, commission, or other governing entity, other than a port authority created under Title 7,
 6 chapter 14, part 11, issues bonds and pledges to the payment of the bonds; those taxes, revenue, or fees in
 7 accordance with the statutes authorizing the issuance of the bonds, the taxes, revenue, or fees and the levy or
 8 appropriation of the taxes, revenue, or fees are not subject to approval by the local government appointing the
 9 board, commission, or governing entity."

10

11 **Section 24.** Section 7-6-2501, MCA, is amended to read:

12 **"7-6-2501. Authorization for county mill levy.** ~~The~~ Subject to [section 1], the board of county
 13 commissioners ~~has jurisdiction and power, under such limitations and reservations as are prescribed by law, to~~
 14 may levy ~~such a~~ tax annually on the taxable property of the county for county purposes as may be necessary to
 15 defray the current expenses thereof, including the salaries otherwise unprovided for, not exceeding 27 mills on
 16 each dollar of the taxable valuation for any ~~one~~ 1 year for counties of the fourth, fifth, sixth, and seventh classes
 17 and 25 mills on each dollar of the taxable valuation for any ~~one~~ 1 year for counties of the first, second, and third
 18 classes and ~~to~~ may levy ~~such~~ taxes as are required to be levied by special or local statutes."

19

20 **Section 25.** Section 7-6-2502, MCA, is amended to read:

21 **"7-6-2502. Responsibility of county commissioners to fix tax rate and levy tax.** ~~The~~ Subject to
 22 [section 1], the board of county commissioners of each county ~~must~~ shall, on the second Monday in August, fix
 23 the rate of county taxes and designate the number of mills on each dollar of valuation of property for each fund
 24 and ~~must~~ shall levy taxes upon the taxable property of the county."

25

26 **Section 26.** Section 7-6-2511, MCA, is amended to read:

27 **"7-6-2511. County levy for district court expenses.** ~~The~~ Subject to [section 1], the governing body
 28 of each county may each year levy and collect a tax on the taxable property of the county for all district court
 29 costs, except those listed in 3-5-211, 3-5-213, and 3-5-215. The tax may not exceed 6 mills in the first- and
 30 second-class counties, 5 mills in third- and fourth-class counties, and 4 mills in fifth-, sixth-, and seventh-class

1 counties. ~~These expenses~~ District court costs include but are not limited to salary and benefits for court clerks,
2 court reporters, youth probation officers, and other employees of the district court."
3

4 **Section 27.** Section 7-6-2512, MCA, is amended to read:

5 **"7-6-2512. County tax levy for health care facilities.** (1) ~~The~~ Subject to [section 1], the board of county
6 commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on
7 each dollar of taxable valuation of property, upon all property within the county to erect, furnish, equip, expand,
8 improve, maintain, and operate county-owned or county-operated health care facilities created under 7-8-2102,
9 7-34-2201, and 7-34-2502. "Health care facilities" as used in this section has the meaning as defined in
10 7-34-2201. The combined total number of mills levied under this section and for the county poor fund under
11 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537,
12 [section 1], or 53-2-322. If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized
13 by this section may not be imposed on property within that hospital district.

14 (2) If a county issues bonds under 7-34-2411 to finance or refinance the costs of a health care facility,
15 the board of county commissioners may covenant to levy the tax authorized by this section during the term of the
16 bonds, to the extent necessary, and to apply the collections of the tax to the costs of erecting, furnishing,
17 equipping, expanding, improving, maintaining, and operating the health care facility or facilities of the county or
18 the payment of principal of or interest on the bonds. The pledge of the taxes to the payment of the bonds may
19 not cause the bonds to be considered indebtedness of the county for the purpose of any statutory limitation or
20 restriction. The pledge may be made by the board only upon authorization of a majority of the electors of the
21 county voting on the pledge at a general or special election as provided in 7-34-2414."
22

23 **Section 28.** Section 7-6-2513, MCA, is amended to read:

24 **"7-6-2513. County public safety levy -- purpose.** ~~The~~ Subject to [section 1], the board of county
25 commissioners may, annually at the time of levying county taxes, fix and levy a tax on all property within the
26 county for the purpose of providing for the public safety of citizens. The tax must be used to support county law
27 enforcement services and to maintain county detention centers. Money received from the tax must be placed in
28 a special account to be used for the purposes of this section."
29

30 **Section 29.** Section 7-6-2522, MCA, is amended to read:

1 **"7-6-2522. All-purpose levy -- maximum.** (1) The all-purpose levy is an annual levy upon the taxable
2 value of all property in the county subject to taxation for county purposes in lieu of the levies specified in 7-6-2523.
3 ~~The Subject to [section 1],~~ the all-purpose levy may not exceed the lesser of:

4 (a) 55 mills on the dollar; or

5 (b) the total number of mills levied in the prior year pursuant to the levies set forth in 7-6-2523 as certified
6 by the department of revenue under 15-10-202.

7 (2) If the county governing body determines that the interests of the county would be served by an
8 all-purpose levy, it shall specify its intent to impose the all-purpose levy in the resolution approving and adopting
9 the annual budget."

10

11 **Section 30.** Section 7-6-4209, MCA, is amended to read:

12 **"7-6-4209. Manner of making payment for judgments against municipalities.** (1) On receipt of the
13 certificate of a justice of the peace or the clerk of the court in which any judgment is rendered, showing the
14 amount of a judgment against a municipality and the date of its entry, the governing body shall direct that the
15 amount of the judgment be paid from the general fund if there is sufficient money in the general fund to pay the
16 judgment, exclusive of the appropriations for the current fiscal year.

17 (2) ~~The Subject to [section 1],~~ the governing body shall at the proper times levy and cause to be collected
18 a tax on all the property of the municipality for the payment of the judgment within a period of 3 years from its
19 presentation if there is not sufficient money, as provided in subsection (1), in the general fund to pay the
20 judgment.

21 (3) This section does not apply to a municipality that has adopted the alternative accounting method
22 provided for in Title 7, chapter 6, part 6."

23

24 **Section 31.** Section 7-6-4232, MCA, is amended to read:

25 **"7-6-4232. Fixing of tax levy -- exception.** (1) On or before the second Monday in August and after the
26 approval and adoption of the final budget, the council shall, subject to [section 1], fix the tax levy for each fund
27 at a rate, not exceeding limits prescribed by law, that will raise the amount set out in the budget as the amount
28 necessary to be raised by tax levy for that fund during the current fiscal year. The taxable valuation of the city for
29 the current fiscal year must be the basis for determining the amount of the tax levy for each fund, and each tax
30 levy must be at a rate not higher than is required on that basis, without including any amount for anticipated tax

1 delinquency, to raise the amount set out in the budget.

2 (2) If the council considers that a levy made for a bond sinking or interest fund will not provide a sufficient
3 amount to pay all bond principal and interest becoming due during the current fiscal year or within 6 months after
4 the current fiscal year because of anticipated tax delinquency, the council may fix the levy at a rate it considers
5 necessary to raise the amount for making the payments of principal and interest over and above the anticipated
6 tax delinquency.

7 (3) Each levy must be made in the manner provided by 15-10-201.

8 (4) This section does not apply to a municipality that has adopted the alternative accounting method
9 provided for in Title 7, chapter 6, part 6."

10

11 **Section 32.** Section 7-6-4259, MCA, is amended to read:

12 **"7-6-4259. Budgets of appointed boards and commissions -- exemption for bonds.** (1) ~~With Subject~~
13 to [section 1] and with respect to tax and fee money, the proposed budget of and the number of mills to be
14 assessed by any board, commission, or other governing entity, except a board of trustees of a public library and
15 an airport authority, appointed by a local government are subject to approval by that local government.

16 (2) If a board, commission, or other governing entity, other than a port authority created under Title 7,
17 chapter 14, part 11, issues bonds and pledges to the payment of the bonds; those taxes, revenue, or fees in
18 accordance with the statutes authorizing the issuance of the bonds, the taxes, revenue, or fees and the levy or
19 appropriation of the taxes, revenue, or fees are not subject to approval by the local government appointing the
20 board, commission, or governing entity."

21

22 **Section 33.** Section 7-6-4261, MCA, is amended to read:

23 **"7-6-4261. Determination of fund requirements to be met by tax levy.** (1) Following the
24 determinations required by 7-6-4260, the governing body shall determine the amount to be raised for each fund
25 for which a tax levy is to be made by adding the cash balance in excess of outstanding unpaid warrants at the
26 close of the preceding fiscal year and the amount of the estimated ~~revenues~~ revenue, if any, to accrue to the fund
27 during the current fiscal year. It shall then deduct the total amount obtained from the total amount of the
28 appropriations and authorized expenditures from the fund as determined by the governing body in the budget
29 adopted and approved. The amount remaining is the amount necessary to be raised for any fund by tax levy
30 during the current fiscal year.

1 (2) ~~The~~ Subject to [section 1], the governing body may add to the amount necessary to be raised for any
2 fund by tax levy during the current fiscal year an additional amount as a reserve to meet expenditures to be made
3 from the fund during the months of July to November of the next fiscal year. The undesignated amount held as
4 a reserve may not exceed one-half of the total amount appropriated and authorized to be spent from the fund
5 during the current fiscal year, after deducting from the amount of the appropriations and authorized expenditures
6 the total amount appropriated and authorized to be spent for election expenses and payment of emergency and
7 other outstanding warrants.

8 (3) The total amount to be raised by tax levy for any fund during the current fiscal year, including the
9 amount of the reserve, may not exceed the total amount that may be raised for the fund by a tax levy that does
10 not exceed the maximum levy permitted by law to be made for the fund.

11 (4) This section does not apply to a municipality that has adopted the alternative accounting method
12 provided for in Title 7, chapter 6, part 6."
13

14 **Section 34.** Section 7-6-4272, MCA, is amended to read:

15 **"7-6-4272. Emergency expenditures.** (1) All emergency expenditures must be charged to the
16 emergency budget appropriations adopted by a three-fourths majority of the members present at a meeting of
17 a governing body.

18 (2) Emergency expenditures may be made by the issuance of checks or warrants drawn on the municipal
19 treasury. The municipality is authorized and directed to pay the checks or warrants with any money available for
20 that purpose. If at any time there is insufficient money available to pay the emergency expenditures, then
21 emergency warrants must be issued and registered, must bear interest, and must be called for payment in the
22 manner provided by law for other municipal warrants.

23 (3) The finance officer shall include in the preliminary annual operating budget to be submitted to the
24 governing body the total amount of emergency warrants issued during the preceding fiscal year that remain
25 unpaid. Subject to the provisions of [section 1] and this section, the governing body shall, in the tax levies, include
26 a levy for each fund sufficient to raise an amount equal to the total amount of any emergency warrants remaining
27 unpaid at the close of the preceding fiscal year because of insufficient money in the fund to pay the warrants.

28 (4) (a) A levy may not be made for any fund in excess of the levy authorized by law to be made for the
29 fund.

30 (b) The governing body may submit the question of funding the emergency warrants at an election as

1 provided by law. If possible, the election must be held in conjunction with a regular or primary election. If at the
 2 election the issuing of the funding bonds is authorized, it is not necessary for any levy to be made for the purpose
 3 of paying the emergency warrants.

4 (5) This section does not apply to a municipality that has adopted the alternative accounting method
 5 provided for in Title 7, chapter 6, part 6."
 6

7 **Section 35.** Section 7-6-4401, MCA, is amended to read:

8 **"7-6-4401. General taxing power of municipalities.** ~~The~~ Subject to [section 1], the city or town council
 9 ~~has power to~~ may levy and collect taxes for general and special purposes on all property within the ~~town or city~~
 10 or town subject to taxation under the laws of the state."
 11

12 **Section 36.** Section 7-6-4405, MCA, is amended to read:

13 **"7-6-4405. Limitation on tax levy for general municipal or administrative purposes.** ~~The~~ Subject
 14 to [section 1], the amount of taxes to be levied for general municipal or administrative purposes in ~~cities and towns~~
 15 a city or town may not exceed 2.4% of the taxable value of the property of the city or town subject to taxation."
 16

17 **Section 37.** Section 7-6-4406, MCA, is amended to read:

18 **"7-6-4406. Authority to levy special taxes and assessments.** ~~The~~ Subject to [section 1], the council
 19 ~~may also~~ assess and levy the special taxes or assessments provided for in this title."
 20

21 **Section 38.** Section 7-6-4407, MCA, is amended to read:

22 **"7-6-4407. Resolution to fix annual tax levy.** (1) ~~The~~ Subject to [section 1], the council ~~must~~ shall:
 23 (a) on or before the second Monday of August of each year, by resolution determine the amount of the
 24 city or town taxes for all purposes to be levied and assessed on the taxable property in the city or town for the
 25 current fiscal year; and
 26 (b) on or before the fourth Monday of August of each year, by resolution determine the amount of school
 27 district taxes for all purposes to be levied and assessed on the taxable property in the city or town for the current
 28 fiscal year.
 29 (2) (a) Except as provided in subsection (2)(b), the city or town clerk ~~must~~ shall at once certify to the
 30 county clerk a copy of the resolution, and the county treasurer ~~must~~ shall collect the taxes as provided in this part.

1 (b) In cities where the council has provided by ordinance for the collection of the taxes by the city
2 treasurer, the city clerk ~~must~~ shall certify a copy of the resolution to the city treasurer."

3
4 **Section 39.** Section 7-6-4421, MCA, is amended to read:

5 **"7-6-4421. Authorization for tax levy and collection by municipality.** (1) ~~The~~ Subject to [section 1],
6 the council has power to annually levy and collect taxes on all the property in the city or town taxable for state
7 and county purposes and may by ordinance provide for the levy and collection of the ~~same~~ taxes.

8 (2) Until the passage of ~~such~~ the ordinance, the levy and collection of municipal taxes are and the
9 proceedings for ~~such~~ those purposes must be as provided in this part."

10
11 **Section 40.** Section 7-6-4438, MCA, is amended to read:

12 **"7-6-4438. Tax levy and expenditures for municipal and administrative purposes when limits on**
13 **municipal indebtedness exceeded.** (1) ~~All~~ Subject to [section 1], taxes levied and collected for municipal and
14 administrative purposes by any city or town in which the indebtedness equals or exceeds the limit allowed by
15 statute may be used in payment of current expenses during the fiscal year for which the taxes were levied; as
16 if a special levy had been made for each of the purposes. The council of ~~any such~~ the city or town may designate
17 the amount of the general levy applicable to each of the purposes. The amount ~~so~~ designated constitutes a
18 special fund for the special purpose of paying the expenses incurred for the purpose. The expenses ~~shall be~~ are
19 payable only out of the fund ~~and not otherwise.~~

20 (2) However, the aggregate of all taxes authorized for general municipal and administrative purposes
21 may not exceed 1.5% annually of the taxable value of all property subject to taxation in the city or town.

22 (3) ~~Any~~ Subject to [section 1], a city, the indebtedness of which equals or exceeds the limit allowed by
23 statute, may levy and collect special taxes for municipal and administrative purposes, and the city council in
24 making special levies shall designate the amount ~~thereof~~ for each of the purposes, ~~and each.~~ Each tax, when
25 collected, constitutes a fund out of which the expenses incurred for the purpose for which the tax was levied ~~shall~~
26 must be paid. The expenses incurred for any particular purpose ~~shall~~ may be paid only out of the specified fund
27 ~~provided therefor and not otherwise."~~

28
29 **Section 41.** Section 7-6-4452, MCA, is amended to read:

30 **"7-6-4452. Maximum all-purpose mill levy.** ~~Except~~ Subject to [section 1] and except as provided

1 ~~elsewhere by law, the cities and towns of the state of Montana~~ may make an all-purpose annual levy upon the
 2 taxable value of all the property in the cities and towns subject to taxation for municipal purposes in lieu of the
 3 multiple levies ~~now~~ authorized by statute. The total of the all-purpose levy may not exceed 65 mills on the dollar."
 4

5 **Section 42.** Section 7-6-4453, MCA, is amended to read:

6 **"7-6-4453. Certain special mill levies also available.** (1) The all-purpose mill levy ~~shall not and may~~
 7 does not include the levies imposed for bonded indebtedness, to pay judgments or tax protest refunds, or for
 8 special improvement district revolving funds of municipalities; ~~which~~ Subject to [section 1], additional levies may
 9 be made in addition to the all-purpose levy, as provided in subsection (2). Sections 7-6-4451 through 7-6-4455
 10 ~~shall~~ may not be construed as repealing those statutes providing for multiple separate levies.

11 (2) Extraordinary levies otherwise authorized to pay for bonded indebtedness, judgments, tax protest
 12 refunds, or special improvement district revolving funds may be made by ~~such~~ municipalities in addition to ~~such~~
 13 the all-purpose levy provided for in 7-6-4451 through 7-6-4455.

14 (3) In a third-class city or town, the all-purpose mill levy may not include the special tax levy for the
 15 firefighters' disability and pension fund provided for in 19-18-503. This special tax levy must be made in addition
 16 to the all-purpose mill levy."
 17

18 **Section 43.** Section 7-7-2202, MCA, is amended to read:

19 **"7-7-2202. Authority to issue general obligation bonds to satisfy judgments.** (1) ~~The~~ Subject to
 20 [section 1], the board of county commissioners ~~of every county of the state is hereby vested with the power and~~
 21 ~~authority to~~ may issue, negotiate, and sell coupon bonds on the credit of the county, ~~as more specifically provided~~
 22 ~~in this part,~~ for the purpose of funding, paying in full, or compromising, settling, and satisfying any judgment ~~which~~
 23 that may have been rendered against the county in a court of competent jurisdiction, including the repayment of
 24 tax protests lost by the county, when:

25 (a) there are not sufficient funds available to pay ~~such~~ the judgment; and

26 (b) sufficient money cannot be raised to satisfy ~~such~~ the judgment by an annual tax levy of 10 mills
 27 authorized by the voters and levied on all the taxable property within the county through a period of 3 years.

28 (2) The resolution providing for the issue of ~~such~~ the bonds must recite the facts concerning the
 29 judgment to be funded and the terms of any compromise agreement ~~which~~ that may have been entered into
 30 between the board and the judgment creditor."

1

2

Section 44. Section 7-11-1106, MCA, is amended to read:

3

"7-11-1106. Ordinance and petition requirements. An ordinance or petition for an ordinance to authorize a multijurisdictional service district must include:

4

(1) the name of the proposed district;

5

(2) the services to be provided by the proposed district;

6

(3) a statement of convenience and necessity;

7

(4) a boundary map of the proposed district;

8

(5) estimated costs of services and methods of financing the district;

9

(6) the method of administering the proposed district; and

10

(7) subject to [section 1], the maximum property tax mill levy for property taxes in the district."

11

12

13

Section 45. Section 7-11-1112, MCA, is amended to read:

14

"7-11-1112. Financing. (1) ~~Local~~ Subject to [section 1], local governments organizing a multijurisdictional service district are authorized to levy property taxes in an amount not to exceed that authorized for the district in 7-11-1106; and to appropriate funds derived from other than general tax revenues for the operation of the district. ~~Property~~ Subject to [section 1], property taxes levied for a library established under this part as a multijurisdictional service must be added to taxes levied under 22-1-304.

15

(2) A property tax levied for the purpose of financing the district must, for all agricultural property having an area greater than 10 acres, be levied only on the principal residential dwelling, if any, on ~~such~~ the property."

16

17

Section 46. Section 7-12-1132, MCA, is amended to read:

18

"7-12-1132. Annual budget and work plan -- approval -- procedure -- tax. (1) At a time determined by the governing body, the board shall submit to the governing body for approval a work plan and budget for the ensuing fiscal year.

19

(2) Following public notice that a work plan and budget have been submitted and that the governing body will levy an assessment to defray the cost of the work plan and budget, the governing body shall hold a public hearing on objections to the work plan and budget. After the hearing, the governing body may modify the work plan and budget as it considers necessary and appropriate.

20

(3) ~~After~~ Subject to [section 1] and after approval of the work plan and budget and to defray the cost

1 ~~thereof~~ for the next fiscal year, the governing body shall by resolution levy an assessment upon all of the property
 2 in the district using as a basis one of the methods prescribed in 7-12-1133.

3 (4) A copy of the resolution ~~shall~~ must be delivered to the treasurer of the local government to be placed
 4 on the tax roll, and the assessment must be collected in the same manner as other taxes."

5

6 **Section 47.** Section 7-12-1133, MCA, is amended to read:

7 **"7-12-1133. Assessment of costs -- area, lot, taxable valuation, and square footage options.** (1)

8 At the same time that the board submits the annual budget and work plan to the governing body as provided in
 9 7-12-1132, the board shall also recommend to the governing body a method of levying an assessment on the
 10 property within the district ~~which~~ that will best ensure that the assessment on each lot or parcel is equitable in
 11 proportion to the benefits to be received.

12 (2) The governing body shall annually assess the entire cost of the district against the entire district using
 13 a method ~~which~~ that best ensures that the assessment on each lot or parcel is equitable in proportion to the
 14 benefits to be received. In determining the method of assessment to be used, the governing body shall consider
 15 the recommendations of the board. ~~The~~ Subject to [section 1], the governing board shall levy the assessment
 16 using one of the following methods:

17 (a) each lot or parcel of land within ~~such~~ the district may be assessed for that part of the whole cost
 18 ~~which~~ that its area bears to the area of the entire district, exclusive of streets, avenues, alleys, and public places;

19 (b) if the governing body determines that the benefits derived by each lot or parcel are substantially
 20 equivalent, the cost may be assessed equally to each lot or parcel located within the district without regard to the
 21 area of the lot or parcel;

22 (c) each lot or parcel of land, including the improvements ~~thereon~~ on the lot or parcel, may be assessed
 23 for that part of the whole cost of the district ~~which~~ that its taxable valuation bears to the total taxable valuation of
 24 the property of the district;

25 (d) each building may be assessed for that part of the whole cost of the district that the occupied or
 26 income-producing area of the building above the first floor bears to the area of the entire district; or

27 (e) by using any combination of the assessment options provided in subsections (2)(a) through (2)(d).

28 (3) If a district is expanded, the land within the expanded area must be assessed as provided for in
 29 subsection (2) for the duration of the district."

30

1 **Section 48.** Section 7-12-2154, MCA, is amended to read:

2 **"7-12-2154. Payment of damages incurred as a result of improvements.** Whenever the owner or
3 anyone interested in any property situated in the special improvement district, after filing with the county clerk a
4 written notice claiming that ~~his~~ the person's property has been damaged, is awarded or recovers any amount
5 because of damages sustained by the property because of the construction of any improvement in the special
6 improvement district:

7 (1) before the resolution levying the assessment to defray the cost of making the improvement in the
8 district is passed and adopted by the board of county commissioners, subject to [section 1], the amount ordered
9 to be recovered ~~shall~~ must be added to and constitute a part of making the improvements; but

10 (2) subject to [section 1], if the resolution levying the assessment to defray the cost and expenses of
11 making the improvement has been passed and adopted by the board, it shall pass and adopt a supplemental
12 resolution levying an additional assessment against the property in the district for the purpose of paying the
13 amount awarded and the supplemental resolution ~~shall~~ must be made in the same manner and prepared and
14 certified the same as the original resolution levying the assessment to defray the cost of making the
15 improvements."
16

17 **Section 49.** Section 7-12-2158, MCA, is amended to read:

18 **"7-12-2158. Resolution for levy and assessment of tax.** (1) ~~To~~ Subject to [section 1] and to defray
19 the cost of making or acquiring improvements in any special improvement district, the board of county
20 commissioners shall by resolution levy and assess a tax upon all benefited property in the district created for ~~such~~
21 the specified purpose; by using for a basis for ~~such the~~ assessment the method or methods provided for by this
22 part and described in the resolution of intention.

23 (2) ~~Such The~~ The resolution ~~shall~~ must contain a description of each lot or parcel of land, with the name of
24 the owner if known, and the amount of each partial payment, when made, and the day when the ~~same shall~~
25 payment will become delinquent.

26 (3) ~~Such The~~ The resolution, signed by the ~~chairman~~ presiding officer of the board, ~~shall~~ must be kept on file
27 in the office of the county clerk."
28

29 **Section 50.** Section 7-12-2161, MCA, is amended to read:

30 **"7-12-2161. Payment of maintenance costs -- resolution for assessment and for change of**

1 **boundaries -- assessment for administrative costs.** (1) It is the duty of the board of county commissioners to
 2 estimate, as near as practicable, the cost of maintaining, preserving, or repairing the improvements in each
 3 district for each year beginning January 1 or another time as it may appear necessary.

4 (2) ~~Before~~ Subject to [section 1] and before the first Monday in September of each year, the board shall
 5 pass and finally adopt a resolution levying and assessing all the property within the district with an amount equal
 6 to the whole cost of maintaining, preserving, or repairing the improvements within the district. The assessment
 7 must be proportioned as provided in 7-12-2108.

8 (3) The resolution levying assessments to defray the cost of maintenance, preservation, or repair of
 9 improvements must be prepared and certified to in substantially the same manner as a resolution levying
 10 assessments for making, constructing, and installing the improvements in the special improvement district.

11 (4) ~~The~~ Subject to [section 1], the board may change by resolution, not more than once a year, the
 12 boundaries of any maintenance district.

13 (5) The board shall include in the estimated cost of maintaining the district the lesser of \$500 or 5% of
 14 the annual assessment of the district. The amount determined by the board under this subsection is to defray the
 15 costs incurred by the county in administering the maintenance district and is a cost of maintenance. The board
 16 shall annually pay the amount determined under this subsection to the county treasurer for deposit in the county
 17 general fund."
 18

19 **Section 51.** Section 7-12-2165, MCA, is amended to read:

20 **"7-12-2165. Procedure to correct assessment and relevy and collect tax.** (1) ~~Whenever~~ Subject to
 21 [section 1], whenever, by reason of any alleged nonconformity to law or by reason of any omission or irregularity,
 22 any special tax or assessment is either invalid or its validity is questioned, the board of county commissioners
 23 may make all necessary orders and may take all necessary steps to correct, reassess, and relevy the same,
 24 including the ordering of work, with the same force and effect as if made at the time provided by the law or
 25 resolution relating thereto. The board may reassess and relevy the tax or assessment with the same force and
 26 effect as an original levy.

27 (2) Any special tax, upon reassessment or relevy, ~~shall~~ must, so far as practicable, be levied and
 28 collected the same as it would have been if the first levy had been enforced. Any provision of any law specifying
 29 a time when or order in which acts ~~shall~~ must be done in a proceeding ~~which~~ that may result in a special tax are
 30 subject to the qualifications of this part.

1 (3) Whenever any apportionment or assessment is made and any property is assessed too little or too
2 much, the assessment may be corrected and reassessed for ~~such the~~ additional amount ~~as~~ that is proper or the
3 assessment may be reduced even to the extent of refunding the tax collected."
4

5 **Section 52.** Section 7-12-2167, MCA, is amended to read:

6 **"7-12-2167. Term of payment of assessments.** (1) ~~Except Subject to [section 1] and except as~~
7 provided in subsection (2) of this section, the payment of the assessment to defray the cost of constructing any
8 improvements in special improvement districts may be spread over a term of not to exceed 30 years.

9 (2) If federal loans are available, payments may be spread over a term of not to exceed 40 years.

10 (3) The assessments are payable in equal semiannual installments of principal, with interest on the
11 unpaid installments, or if the board of county commissioners so prescribes in the resolution authorizing issuance
12 of the special improvement district bonds, in equal semiannual installments of principal and interest, each in the
13 amount required to pay the principal over the term of payment, with interest at the rate then borne by the
14 assessment.

15 (4) Any assessment that is not delinquent may be prepaid, in whole but not in part, at any time after the
16 assessment is levied, by the payment of the assessment, with interest accrued and to accrue ~~thereon~~ on the
17 assessment through the next date on which interest on bonds of the special improvement district is payable."
18

19 **Section 53.** Section 7-12-2202, MCA, is amended to read:

20 **"7-12-2202. Apportionment of costs of maintaining lighting system.** (1) ~~The~~ Subject to [section 1],
21 the cost of the maintenance and operating service to ~~said the~~ rural improvement district for lighting may be
22 apportioned among the various tracts of land within ~~said the~~ improvement district:

23 (a) in proportion to the assessed value of ~~said the~~ lands within ~~said the~~ improvement district, as
24 determined by the board of county commissioners;

25 (b) at the option of ~~said the~~ board and as determined by ~~said the~~ board, in proportion to the lineal front
26 footage of each tract, any part of which is in the district and abuts the street or roadway along which the lighting
27 system is to be maintained; or

28 (c) in proportion to the area, as determined by ~~said the~~ board, of that portion of each tract included in
29 the district.

30 (2) (a) Before the first Monday of September of each year, the board shall pass and finally adopt a

1 resolution levying and assessing upon all the property within the district an amount equal to the whole cost of
 2 maintaining ~~said~~ the lighting system. The ~~same shall levy and assessment must~~ be proportioned against the
 3 several tracts of land in ~~said~~ the district as provided in this part.

4 (b) ~~Said~~ The resolution levying assessments to defray the cost of maintenance ~~shall~~ must be prepared
 5 and certified to in the same manner as ~~near as may be to~~ a resolution levying assessments for making,
 6 constructing, and installing the improvements in ~~said~~ special improvement districts."

7
 8 **Section 54.** Section 7-12-4102, MCA, is amended to read:

9 **"7-12-4102. Authorization for creation of special improvement districts.** (1) ~~The~~ Subject to [section
 10 1], the city or town council has power to create special improvement districts, designating them by number; to
 11 extend the time for payment of assessments levied upon the districts for district improvements for a period not
 12 exceeding 20 years or, if refunding bonds are issued pursuant to 7-12-4194, for a period not exceeding 30 years;
 13 to make the assessments payable in installments; and to pay all expenses of whatever character incurred in
 14 making the improvements with special improvement warrants or bonds.

15 (2) Whenever the public interest or convenience requires, the city council may:

16 (a) create special improvement districts for acquiring by purchase, building, constructing, or maintaining
 17 devices intended to protect the safety of the public from open ditches carrying irrigation or other water;

18 (b) create special improvement districts for acquiring by purchase or building and constructing municipal
 19 swimming pools and other recreation facilities;

20 (c) create special improvement districts and order the whole or a portion, either in length or width, of one
 21 or more of the streets, avenues, alleys, or places or public ways of the city:

22 (i) graded or regraded to the official grade;

23 (ii) planked or replanked;

24 (iii) paved or repaved;

25 (iv) macadamized or remacadamized;

26 (v) graveled or regraveled;

27 (vi) piled or repiled;

28 (vii) capped or recapped;

29 (viii) surfaced or resurfaced;

30 (ix) oiled or reoiled;

1 (d) create special improvement districts and order the acquisition, construction, or reconstruction within
2 the districts of:

3 (i) sidewalks, crosswalks, culverts, bridges, gutters, curbs, steps, parkings (including the planting of
4 grassplots and setting out of trees);

5 (ii) sewers, ditches, drains, conduits, and channels for sanitary and/or drainage purposes, with outlets,
6 cesspools, manholes, catchbasins, flush tanks, septic tanks, connecting sewers, ditches, drains, conduits,
7 channels, and other appurtenances;

8 (iii) waterworks, water mains, and extensions of water mains;

9 (iv) pipes, hydrants, hose connections for irrigating purposes;

10 (v) appliances for fire protection;

11 (vi) tunnels, viaducts, conduits, subways, breakwaters, levees, retaining walls, bulkheads, and walls of
12 rock or other material to protect them from overflow or injury by water;

13 (vii) the opening of streets, avenues, and alleys and the planting of trees on the streets, avenues, and
14 alleys;

15 (e) create special improvement districts and order the construction or reconstruction in, over, or through
16 property or rights-of-way owned by the city of:

17 (i) tunnels, sewers, ditches, drains, conduits, and channels for sanitary ~~and/or~~ or drainage purposes, with
18 necessary outlets, cesspools, manholes, catchbasins, flush tanks, septic tanks, connection sewers, ditches,
19 drains, conduits, channels, and other appurtenances;

20 (ii) pipes and hose connections for irrigating; hydrants and appliances for fire protection;

21 (iii) breakwaters, levees, retaining walls, and bulkheads; and

22 (iv) walls of rock or other material to protect the streets, avenues, lanes, alleys, courts, places, public
23 ways, and other property in the city from overflow by water;

24 (f) create special improvement districts to make monetary advances or contributions to aid in the
25 construction of additional natural gas and electric distribution lines and telecommunications facilities in order to
26 extend those public utility services;

27 (g) create special improvement districts and order work to be done that is considered necessary to
28 improve the whole or a portion of the streets, avenues, sidewalks, alleys, places, or public ways, property, or
29 right-of-way of the city;

30 (h) create special improvement districts to acquire and improve by purchase, gift, bequest, lease, or other

1 means land to be designated as public park or open-space land;

2 (i) create special improvement districts for the conversion of overhead utilities to underground locations
3 in accordance with 69-4-311 through 69-4-314; and

4 (j) maintain, preserve, and care for any of the improvements authorized in this section.

5 (3) The city governing body may order and create special improvement districts covering projects
6 abutting the city limits and include properties outside the city where the special improvement district abuts and
7 benefits that property. Property owners within the proposed district boundaries outside the city may not be
8 included in the special improvement district if 40% of those property owners protest the creation of the special
9 improvement district. The property outside the city must be treated in a similar manner ~~as~~ with regard to
10 improvements, notices, and assessments as the property inside the city limits. A joint resolution of the city and
11 county must be passed agreeing to the terms of the special improvement district prior to passing the resolution
12 of intention or the resolution creating the special improvement district. A copy of the resolution of intention and
13 the resolution creating the special improvement district must be provided to the county commissioners upon the
14 passage of the respective resolutions."

15

16 **Section 55.** Section 7-12-4106, MCA, is amended to read:

17 **"7-12-4106. Notice of passage of resolution of intention.** (1) Upon having passed the resolution of
18 intention pursuant to 7-12-4104, the council shall give notice of the passage of the resolution of intention.

19 (2) The notice must be published as provided in 7-1-2121. A copy of the notice must be mailed to each
20 person, firm, or corporation or the agent of the person, firm, or corporation having real property within the
21 proposed district listed in the owner's name upon the last-completed assessment roll for state, county, and school
22 district taxes, at the owner's last-known address, upon the same day that the notice is first published or posted.

23 (3) (a) The notice must describe the general character of the proposed improvements, state the
24 estimated cost of the improvements, describe generally the method by which the costs of the improvements will
25 be assessed, and designate the time when and the place where the council will hear and pass upon all written
26 protests that may be made against the making or acquisition of the improvements or the creation of the district.

27 (b) If the revolving fund is to be pledged to secure the payment of bonds and warrants, the notice must
28 include a statement that, subject to the limitations in 7-12-4222:

29 (i) the general fund of the city or town may be used to provide loans to the revolving fund; or

30 (ii) subject to [section 1], a general tax levy may be imposed on all taxable property in the city or town

1 to meet the financial requirements of the revolving fund.

2 (c) The notice must refer to the resolution on file in the office of the city clerk for the description of the
3 boundaries. If the proposal is for the purchase of an existing improvement, the notice must state the exact
4 purchase price of the existing improvement."
5

6 **Section 56.** Section 7-12-4176, MCA, is amended to read:

7 **"7-12-4176. Resolution for tax levy upon district property.** (1) ~~To~~ Subject to [section 1] and to defray
8 the cost of making or acquiring improvements in any special improvement district or of acquiring property for
9 opening, widening, or extending any street or alley or to defray the cost and expense of changing any grade of
10 any street, avenue, or alley, the city council shall by resolution levy and assess a tax upon all benefited property
11 in any district created for ~~such~~ the authorized purpose, using for a basis for assessment the method or methods
12 set forth in 7-12-4161 through 7-12-4165 and described in the resolution of intention.

13 (2) ~~Such resolutions shall~~ The resolution must contain a description of each lot and parcel of land, with
14 the name of the owner, if known, the amount of each partial payment to be made, and the day when the ~~same~~
15 ~~shall~~ payment will become delinquent.

16 (3) ~~Such~~ The resolution, signed by the mayor and clerk, ~~shall~~ must be kept on file in the office of the city
17 clerk."
18

19 **Section 57.** Section 7-12-4177, MCA, is amended to read:

20 **"7-12-4177. Notice of resolution for tax levy -- protest and hearing.** (1) A notice signed by the city
21 clerk, stating that the resolution, subject to [section 1], levying the special assessment to defray the cost of ~~such~~
22 the improvements is on file in his the clerk's office and subject to inspection for a period of 10 days, ~~shall~~ must
23 be:

24 (a) published at least once in a newspaper published in the city or town;

25 (b) mailed to the owner of each lot, tract, or parcel of land to be assessed (~~such~~ the lands must be
26 identified and the mailing address determined from the last completed assessment roll for state, county, and
27 school district taxes); and

28 (c) mailed to ~~such~~ other persons known to the clerk to have an ownership interest in the property.

29 (2) ~~Such~~ The notice ~~shall~~ must state the time and place at which objections to the final adoption of ~~such~~
30 the resolution will be heard by the council. The time for ~~such~~ hearing ~~shall~~ may not be less than 10 days after the

1 publication and mailing of ~~such~~ the notice."

2

3 **Section 58.** Section 7-12-4178, MCA, is amended to read:

4 **"7-12-4178. Hearing on resolution for tax levy.** (1) At the time ~~so~~ fixed, the council shall meet and hear
5 all ~~such~~ objections to the resolution for the levy and for that purpose may adjourn from day to day.

6 (2) ~~The Subject to [section 1],~~ the council may by resolution modify ~~such~~ the assessment in whole or in
7 part. A copy of ~~such~~ the resolution, certified by the city clerk, must be delivered to the city treasurer within 2 days
8 after its passage."

9

10 **Section 59.** Section 7-12-4179, MCA, is amended to read:

11 **"7-12-4179. Payment of maintenance costs -- resolution for assessment.** (1) ~~The Subject to [section~~
12 1], the cost of maintaining each of the improvements ~~shall~~ must be paid by assessing the benefited properties
13 of the district under a permissible assessment option as provided in 7-12-4162 through 7-12-4165.

14 (2) It is the duty of the council to estimate, as nearly as practicable, the cost of maintaining the
15 improvements in each district for the season. Before the first Monday in September of each year and subject to
16 [section 1], the council shall pass and finally adopt a resolution levying and assessing all the property within the
17 several districts with an amount equal to the whole cost of maintaining the improvements within the several
18 districts.

19 (3) The resolution levying assessments to defray the cost of maintenance of the improvement ~~shall~~ must
20 be prepared and certified in the same manner as a resolution levying assessments for making improvements in
21 the special improvement district.

22 (4) ~~The Subject to [section 1],~~ the council may change by resolution, not more than once a year, the
23 boundaries of any maintenance district, but the change of boundaries may not affect indebtedness existing at the
24 time of the change."

25

26 **Section 60.** Section 7-12-4181, MCA, is amended to read:

27 **"7-12-4181. Collection of district assessments by county clerk -- certification.** (1) Except as
28 provided in 7-12-4183, in each city or town where taxes for general, municipal, and administrative purposes are
29 certified to and collected by the county treasurer in accordance with the provisions of 7-6-4407 immediately after
30 the second Monday of August of each year, it is the duty of the city treasurer or town clerk to certify, at the same

1 time that the copy of the resolution determining the annual levy for general taxes is certified by the city or town
 2 clerk to the county clerk as required by 7-6-4407, to the department of revenue all special assessments and taxes
 3 levied and assessed in accordance with any of the provisions of part 42 and this part.

4 (2) ~~The Subject to [section 1], the~~ department of revenue shall enter the special assessments and taxes
 5 upon the property tax record for the county. The county treasurer shall collect all taxes and assessments in the
 6 same manner and at the same time as taxes for general, municipal, and administrative purposes are collected."

7
 8 **Section 61.** Section 7-12-4186, MCA, is amended to read:

9 **"7-12-4186. Procedure to correct assessment and relevy and collect tax.** (1) Whenever, by reason
 10 of any alleged nonconformity to any law or ordinance or by reason of any omission or irregularity, any special tax
 11 or assessment is either invalid or its validity is questioned, the council may make all necessary orders and
 12 ordinances and may take all necessary steps to correct the ~~same tax or assessment~~ and to reassess and relevy
 13 the same, including the ordering of work, with the same force and effect as if made at the time provided by law,
 14 ordinance, or resolution relating ~~thereto~~ to the tax or assessment. ~~The Subject to [section 1], the~~ council may
 15 reassess and relevy the ~~same tax or assessment~~ with the same force and effect as an original levy.

16 (2) Whenever any apportionment or assessment is made and any property is assessed too little or too
 17 much, the ~~same apportionment or assessment~~ may be corrected and reassessed for ~~such an~~ additional amount
 18 as may be proper or the assessment may be reduced even to the extent of refunding the tax collected.

19 (3) Any special tax upon reassessment or relevy ~~shall must~~, so far as is practicable, be levied and
 20 collected as the same would have been if the first levy had been enforced. Any provisions of any law or ordinance
 21 specifying a time when or order in which acts ~~shall must~~ be done in a proceeding ~~which that~~ may result in a
 22 special tax ~~shall must~~ be taken to be subject to the qualifications of this part or part 42."

23
 24 **Section 62.** Section 7-12-4188, MCA, is amended to read:

25 **"7-12-4188. Due date for district assessments.** (1) ~~All~~ Subject to [section 1], all special assessments
 26 or installments of special assessments in cities and towns, ~~duly and regularly~~ levied by resolution according to
 27 law, ~~shall be~~ are payable in installments as follows:

- 28 (a) one-half of the payment on or before 5 p.m. on November 30 of each year; and
 29 (b) one-half of the payment on or before 5 p.m. on May 31 of the following year.

30 (2) In the event the ~~same payments~~ are not ~~paid made~~ on or before ~~said~~ the specified dates, the ~~same~~

1 ~~shall be~~ payments are subject to the same interest and penalties for nonpayment as delinquent property taxes
2 under 15-16-102."
3

4 **Section 63.** Section 7-12-4190, MCA, is amended to read:

5 **"7-12-4190. Payment of assessments in installments.** (1) ~~The~~ Subject to [section 1], the payment of
6 assessments to defray the cost of acquiring or constructing any improvements in special improvement districts
7 may be spread over a term of not to exceed 20 years.

8 (2) The assessments are payable in equal semiannual installments of principal, with interest on the
9 unpaid installments, or if the city council or commission ~~so~~ prescribes in the resolution authorizing the issuance
10 of special improvement district bonds, in equal semiannual installments of principal and interest, each in the
11 amount required to pay the principal over the term of payment, with interest at the rate then borne by the
12 assessment.

13 (3) Any assessment that is not delinquent may be prepaid, in whole but not in part, at any time after the
14 assessment is levied, by the payment of the assessment, with interest accrued and to accrue ~~thereon~~ on the
15 assessment through the next date on which interest on bonds of the special improvement district is payable."
16

17 **Section 64.** Section 7-12-4192, MCA, is amended to read:

18 **"7-12-4192. Change in outstanding principal of district -- relevy of assessments.** ~~If~~ Subject to
19 [section 1], if proceeds of the bonds or warrants of the special improvement district, including investment income,
20 are applied to the redemption and prepayment of the bonds or warrants, as provided in 7-12-4205 and 7-12-4206,
21 or if refunding bonds are issued pursuant to 7-12-4194 and the principal amount of the outstanding bonds of the
22 district is decreased or increased, the assessments levied in the district and then outstanding must be reduced
23 or increased, respectively, pro rata by the principal amount of the prepayment or the increment above or below
24 the outstanding principal amount of bonds represented by the refunding bonds. If refunding bonds are issued,
25 the assessments may be relevied over a term ending not later than either the final maturity date of the refunding
26 bonds or the date 30 years after the date the bonds to be refunded were issued. ~~The~~ Subject to [section 1], the
27 city council shall reassess and relevy the assessments, with the same effect as an original levy, in reduced or
28 increased amounts in accordance with the provisions of 7-12-4176 through 7-12-4178."
29

30 **Section 65.** Section 7-12-4222, MCA, is amended to read:

1 **"7-12-4222. Sources of money for revolving fund.** (1) For the purpose of providing funds for the
2 revolving fund, the city or town council:

3 (a) may, from time to time, transfer to the revolving fund from the general fund of the city or town an
4 amount ~~as that~~ that may be necessary. The amount transferred is a loan from the general fund to the revolving fund.

5 (b) shall, if the bonds or warrants are secured by the revolving fund pursuant to 7-12-4225, include in the
6 cost of the improvement to be defrayed from the proceeds of the bonds or warrants an amount equal to 5% of
7 the principal amount of the bonds or warrants as provided in 7-12-4169; and

8 (c) shall, in addition to a transfer or transfers from the general fund or in lieu of a transfer, levy a tax,
9 subject to [section 1], for the revolving fund ~~a tax~~, declared to be for a public purpose, on all taxable property in
10 the city or town as is necessary to meet the financial requirements of the revolving fund. A tax may not be levied
11 if the balance in the revolving fund exceeds 5% of the principal amount of the then-outstanding special
12 improvement district bonds and warrants secured by the revolving fund. If a tax is levied, the tax may not be an
13 amount that would increase the balance in the revolving fund above 5% of the then-outstanding special
14 improvement district bonds and warrants secured by the revolving fund.

15 (2) Whenever there is money in the district fund that is not required for payment of any bond or warrant
16 of the district secured by the revolving fund or of interest on the bond or warrant, as much of the money as may
17 be necessary to pay the loan provided for in 7-12-4223 must, by order of the council, be transferred to the
18 revolving fund. After all the bonds and warrants issued on any special improvement district or sidewalk, curb, and
19 alley approach warrants secured by the revolving fund have been fully paid, all money remaining in the district
20 fund must, by order of the council, be transferred to and become part of the revolving fund."

21

22 **Section 66.** Section 7-12-4225, MCA, is amended to read:

23 **"7-12-4225. Covenants to use revolving fund -- duration of revolving fund obligation -- factors to**
24 **be considered.** (1) In connection with the issuance of special improvement district bonds or sidewalk, curb, and
25 alley approach warrants, the city or town council may undertake and agree:

26 (a) to make loans or advances from the revolving fund to the district fund involved in amounts sufficient
27 to make good any deficiency in the bond and interest accounts, to the extent that funds are available; and

28 (b) subject to 7-12-4222 to provide funds for the revolving fund pursuant to the provisions of
29 7-12-4222(1) by:

30 (i) annually making a tax levy, subject to [section 1]; ~~(or, in lieu of the tax levy,~~

1 (ii) annually making a loan from the general fund), ~~subject to the maximum limitations imposed by~~
2 ~~7-12-4222(1)~~.

3 (2) The undertakings and agreements referred to in subsection (1) are binding upon the city or town with
4 respect to the special improvement district bonds or sidewalk, curb, and alley approach warrants until the earlier
5 of:

6 (a) the date on which all bonds or warrants of the issue and interest on the bonds or warrants have been
7 fully paid or discharged in a bankruptcy case in which the special improvement district is the debtor; or

8 (b) the date that is the later of:

9 (i) the final stated maturity date of the bonds or warrants; or

10 (ii) the date on which all special assessments levied in the district have been either paid or discharged.

11 (3) The discharge of delinquent special assessments levied with respect to a particular lot or parcel is
12 considered to have occurred upon:

13 (a) the issuance of a tax deed, as provided in 15-18-214, or, if the county is the recipient of the tax deed,
14 upon the sale, lease, or other disposition of the property by the county as provided in Title 7, chapter 8, part 22,
15 23, 24, or 25, or other applicable law;

16 (b) the discharge of the trust pursuant to 15-17-318 or upon the sale or lease of the property under
17 15-17-319 if the property in the district has been assigned to the city or town under Title 15, chapter 17, part 3;
18 or

19 (c) payment in full of the allowed secured claim for the special assessments in a bankruptcy case in
20 which the owner of the lot or parcel is the debtor.

21 (4) Prior to entering into the undertakings and agreements set forth in subsection (1), the city or town
22 council shall take into consideration the following factors, including other circumstances that the city or town
23 council may determine to be material to the public interest of securing the bonds or warrants by the revolving
24 fund:

25 (a) the estimated market value of the lots, parcels, or tracts included in the district at the time that the
26 district is created in comparison to the estimated market value of the lots, parcels, or tracts after the
27 improvements are made;

28 (b) the diversity of ownership of property in the district;

29 (c) the amount of the special assessments proposed to be levied against each lot, parcel, or tract in the
30 district in comparison to the estimated market value of the lot, parcel, or tract after the improvements are made;

1 (d) the amount of any outstanding special assessments against the property in the district;

2 (e) the amount of delinquencies in the payment of outstanding special assessments or property taxes
3 levied against property in the district;

4 (f) the public benefit of the improvements proposed to be financed; and

5 (g) in the case of a district created to make improvements in a newly platted subdivision:

6 (i) the prior subdivision development experience and credit rating or credit history of the person
7 developing the land; and

8 (ii) any contribution by property owners to the costs of the improvements or any security given by property
9 owners to secure payment of special assessments levied in the district.

10 (5) Any findings or determinations with respect to the factors contained in subsection (4) made by the
11 city or town council in a resolution authorizing the undertakings and agreements or the issuance of bonds or
12 warrants are conclusive evidence that the city or town council has taken into consideration the factors required
13 by subsection (4).

14 (6) In lieu of the undertakings and agreements set forth in subsection (1), the city or town council may
15 determine in the resolution authorizing the issuance of the bonds or warrants that the revolving fund does not
16 secure the bonds or warrants and that the bonds or warrants are payable solely from the district fund created for
17 the bonds or warrants and do not have a claim against the revolving fund."

18
19 **Section 67.** Section 7-12-4328, MCA, is amended to read:

20 **"7-12-4328. Resolution to provide for assessment of costs of installation.** (1) It ~~shall be~~ is the duty
21 of the city or town council to ascertain the cost of installing ~~such a~~ a lighting system and, on or before the first
22 Monday in October, to pass and finally adopt a resolution levying and assessing all of the property embraced
23 within ~~said the~~ the district with all or any portion of the entire cost of installing the ~~same;~~ system. Subject to [section
24 1], each lot or parcel of land in ~~said the~~ the district ~~to~~ must be assessed in accordance with the method adopted by
25 the city council as provided in 7-12-4321 through 7-12-4324.

26 (2) ~~Any such~~ The resolution ~~shall~~ must contain a list in which ~~shall be described~~ each lot or parcel of land
27 is described by; either the total number of square feet of property contained ~~therein~~ or the total number of linear
28 feet abutting the improvements as may be required to determine the total assessment in the district; and must
29 contain the amount levied against each lot or parcel of land ~~set opposite~~.

30 (3) ~~Such~~ The resolution, signed by the mayor and city clerk, ~~shall~~ must be kept on file in the office of the

1 city clerk."

2

3 **Section 68.** Section 7-12-4332, MCA, is amended to read:

4 **"7-12-4332. Resolution to provide for assessment of maintenance costs.** It ~~shall be~~ is the duty of
5 the city or town council to estimate, as nearly as practicable, the cost of maintaining ~~such~~ lights and furnishing
6 electrical current ~~therefor for the lights~~ each year and the portion ~~thereof of the cost~~ to be assessed against the
7 property embraced within the district, ~~and, Subject to [section 1] and~~ before the first Monday in October, ~~to the~~
8 city or town council shall pass and finally adopt a resolution levying and assessing ~~said~~ property within ~~said the~~
9 district with an amount equal to the proportion of the cost of ~~such~~ maintenance and electrical current ~~so~~
10 determined to be ~~especially~~ assessed against ~~said the~~ property."
11

11

12 **Section 69.** Section 7-12-4333, MCA, is amended to read:

13 **"7-12-4333. Procedure for resolution for assessment of maintenance costs.** ~~Said Subject to [section~~
14 1], a resolution levying and assessing ~~said the~~ portion of the cost of maintenance and for furnishing electrical
15 current ~~therefor shall~~ for the lighting district must be prepared and certified to in the same manner as the
16 resolution provided for in 7-12-4328 through 7-12-4330, and the same notice and hearing ~~shall must~~ be given
17 ~~thereon~~. This resolution ~~shall must~~ be adopted and certified and the assessment collected in the same manner,
18 as nearly as may be possible, in the case of the resolution provided for in 7-12-4328 through 7-12-4331."
19

19

20 **Section 70.** Section 7-12-4425, MCA, is amended to read:

21 **"7-12-4425. Resolution for assessment of costs of maintenance.** (1) The city council shall estimate,
22 as near as practicable, the cost of maintenance in each established district annually, not later than the second
23 Monday in August. ~~The Subject to [section 1], the~~ council shall pass and finally adopt a resolution specifying the
24 district assessment option and levying and assessing all the property within the several districts with an amount
25 equal to not less than 75% of the entire cost of ~~said the~~ work.

26 (2) The resolution levying the assessment to defray the cost of maintenance ~~shall must~~ contain or refer
27 to a list in which ~~shall be described~~ the lot or parcel of land assessed is described, with the name of the owner,
28 ~~thereof~~ if known, and the amount levied ~~thereon set opposite~~ against each lot or parcel of land.

29 (3) ~~Such The~~ resolution ~~shall must~~ be kept on file in the office of the city clerk."
30

30

1 **Section 71.** Section 7-12-4611, MCA, is amended to read:

2 **"7-12-4611. Resolution for assessment -- assessment options.** The city or town council shall
3 estimate, as nearly as practicable, the entire cost of installing and maintaining fire hydrants each year and the
4 portion ~~thereof~~ of the cost to be assessed against the property within the district. Before the first Monday in
5 October, the council ~~must~~ shall pass and finally adopt a resolution levying and assessing the property within the
6 district. ~~The~~ Subject to [section 1], the city or town council, for the purpose of making the assessment, shall adopt
7 one of the following methods:

8 (1) The council may assess the cost of fire hydrant installation and maintenance against the entire
9 district, ~~each.~~ Each lot or parcel of land within the district ~~to~~ must be assessed for that part of the whole cost ~~which~~
10 that its area bears to the area of the entire district, exclusive of streets, avenues, alleys, and public places.

11 (2) The council may assess the cost of fire hydrant installation and maintenance against the entire
12 district, ~~each.~~ Each lot or parcel of land within the district bordering or abutting on the streets where fire hydrants
13 are located ~~to~~ must be assessed in its lineal proportion to the total lineal feet bordering or abutting on ~~such~~ the
14 streets.

15 (3) ~~If~~ Subject to [section 1], if the city council determines that the area, frontage, or combination options
16 are inequitable, it may assess the cost of fire hydrant installation and maintenance:

17 (a) against the entire district, with each lot or parcel of land within ~~such~~ the district to be assessed for
18 that part of the whole cost that its taxable valuation, including improvements, bears to the taxable valuation of the
19 entire district; or

20 (b) against the entire district, with each lot or parcel of land receiving service within the district to be
21 assessed by apportioning the whole cost according to a ratio between the water meter size servicing each lot or
22 parcel and the whole cost."

23

24 **Section 72.** Section 7-13-124, MCA, is amended to read:

25 **"7-13-124. Resolution to assess and levy tax for making improvements.** (1) ~~To~~ Subject to [section
26 1] and to defray the cost of making improvements in any special improvement district, the board of county
27 commissioners shall by resolution levy and assess a tax upon all property in the district created for ~~such~~ that
28 purpose by using for a basis for ~~such~~ the assessment the method provided for by this part.

29 (2) ~~Such~~ The resolution ~~shall~~ must contain a description of each lot or parcel of land, with the name of
30 the owner, if known, and the amount of each partial payment when made and the day when the ~~same~~ shall

1 ~~payment become~~ becomes delinquent.

2 (3) ~~Such~~ The resolution, signed by the ~~chairman~~ presiding officer of the board, ~~shall~~ must be kept on file
3 in the office of the county clerk."
4

5 **Section 73.** Section 7-13-144, MCA, is amended to read:

6 **"7-13-144. Resolution to establish service charges -- hearing -- limitations and tax levy.** The board
7 of county commissioners ~~shall have authority~~ may, subject to the provisions of Title 69, chapter 7, by resolution
8 and after public hearing:

9 (1) ~~to~~ fix and establish the sewer rates, charges, and rentals at amounts sufficient in each year; to
10 provide income and ~~revenues~~ revenue adequate for the payment of the reasonable expense of operation and
11 maintenance of the system;

12 (2) ~~to~~ fix and establish an additional charge; for the operation and maintenance of a sanitary and storm
13 sewer system and of a sewage treatment plant; and

14 (3) ~~subject to [section 1], to~~ levy and ~~to~~ assess a tax upon the taxable valuation of each ~~and every~~ lot
15 or parcel of land and improvements ~~thereon~~ on the lots and parcels in the district, not in excess of 2 mills on each
16 dollar of taxable valuation, to provide sufficient ~~revenues~~ revenue for the reserve fund of the amounts necessary
17 to meet the financial requirements of ~~such~~ the fund as described in 7-13-151 through 7-13-156."
18

19 **Section 74.** Section 7-13-216, MCA, is amended to read:

20 **"7-13-216. Implementation of program.** The board may implement its proposed program a section at
21 a time. If a program is implemented a section at a time, the fees may be levied only against that part of the district
22 that is receiving the service. ~~As~~ Subject to [section 1], as the program is expanded throughout the district, that
23 part of the district will start to pay the fee for service."
24

25 **Section 75.** Section 7-13-2221, MCA, is amended to read:

26 **"7-13-2221. Powers related to district finances.** Any district incorporated as provided in this part ~~shall~~
27 ~~have power to~~ may:

28 (1) accept funds and property or other assistance, financial or otherwise, from federal, state, and other
29 public or private sources for the purposes of aiding the construction or maintenance of water or sewer
30 development projects;

1 (2) cooperate and contract with the state or federal government or any department or agency thereof
 2 in furnishing assurances for and meeting local cooperation requirements of any project involving control,
 3 conservation, and use of water;

4 (3) borrow money and incur indebtedness and issue bonds or other evidence of ~~such~~ indebtedness; ~~also~~
 5 and refund or retire any indebtedness or lien that may exist against the district or property ~~thereof~~ of the district;

6 (4) subject to [section 1], cause taxes to be levied in the manner provided for in ~~this part and~~ part 23 and
 7 this part for the purpose of paying any obligation of the district and to accomplish the purposes of ~~this part and~~
 8 part 23 and this part in the manner provided in ~~this part and~~ part 23 and this part."

9
 10 **Section 76.** Section 7-13-2302, MCA, is amended to read:

11 **"7-13-2302. Levy of taxes to meet bond obligations and other expenses.** (1) If from any cause the
 12 ~~revenues~~ revenue of the district ~~shall be~~ is inadequate to pay the ~~interest or principal of~~ or interest on any bonded
 13 debt as it becomes due or any other expenses or claims against the district, then the board of directors ~~must~~ shall
 14 (at least 15 days before the first day of the month in which the board of county commissioners of the county, city
 15 and county, or counties in which ~~such~~ the district is located are required by law to levy the amount of taxes
 16 required for county or city and county purposes) furnish to the board or boards of county commissioners and to
 17 the auditor or auditors, respectively, an estimate in writing:

18 (a) of the amount of money required by the district for the payment of the principal of or interest on any
 19 bonded debt as it becomes due;

20 (b) of the amount of money required to establish reasonable reserve funds for either ~~of said purposes~~
 21 bond payments or expenses, together with a description of the lands benefited ~~thereby~~, as stated by the board
 22 of directors in the resolution declaring the necessity to incur ~~such~~ the bonded indebtedness; and

23 (c) of the amount of money required by the district for any other purpose set forth in this section.

24 (2) The board of county commissioners of ~~such~~ the county or city and county, annually, at the time and
 25 in the manner of levying other county or city and county taxes, ~~must~~ shall:

26 (a) until ~~any~~ ~~such~~ the bonded debt is fully paid, levy upon the lands ~~so~~ benefited and cause to be
 27 collected the proportionate share to be borne by the land located in their county of a tax sufficient for the payment
 28 ~~thereof of the debt~~, to be known as the district bond tax; and

29 (b) until all other expenses or claims are fully paid and subject to [section 1], levy upon all of the lands
 30 of the district and cause to be collected the proportionate share to be borne by the land located in their county

1 of a tax sufficient for the payment ~~thereof of the expenses or claims~~, to be known as the district water ~~and/or~~
 2 or sewer tax or district water and sewer tax.

3 (3) ~~Such~~ The taxes for the payment of any ~~such~~ bonded debt ~~shall~~ must be levied on the property
 4 benefited ~~thereby by the debt~~, as stated by the board of directors in the resolution declaring the necessity ~~therefor~~
 5 for the debt, and all taxes for other purposes ~~shall~~ must be levied on all property in the territory comprising the
 6 district."

7

8 **Section 77.** Section 7-13-2528, MCA, is amended to read:

9 **"7-13-2528. Financial administration of district.** (1) The board of trustees shall, from any list prepared
 10 by the department of revenue as required by 7-13-2527, remove the names of any persons who have claimed
 11 exemption under this part prior to September 1 and shall prepare a budget for the expenses for the next year.

12 (2) The budget, together with the list of persons residing in the district and subject to the special tax after
 13 all exemptions have been allowed as provided in this part, must be presented by September 1 to the board of
 14 county commissioners, who shall levy the tax requested by the trustees. ~~The~~ Subject to [section 1], the board
 15 shall levy the tax in accordance with the trustees' request. In preparing the budget, the board of trustees shall
 16 maintain separate budgets for television services and for FM translator services and shall specify the tax to be
 17 levied on property owners for these services. The tax must be certified to the county clerk and recorder, who shall
 18 notify the department of revenue for entry of the tax on the property tax record as against those persons and
 19 collected by the county treasurer as all other taxes are collected.

20 (3) The county treasurer is the treasurer for the district and shall hold the taxes, as collected, in a
 21 separate fund to be disbursed upon warrants drawn by the trustees, at least two of whom shall sign any warrant
 22 for the disbursement of the funds by the county treasurer."

23

24 **Section 78.** Section 7-13-3020, MCA, is amended to read:

25 **"7-13-3020. Resolution to assess and levy tax for making improvements.** (1) ~~Fe~~ Subject to [section
 26 1] and to defray the cost of making improvements in the district, the governing body shall by resolution levy and
 27 assess a tax upon all property in the district created for the purpose of the system by using as a basis for the
 28 assessment the method provided for by this part.

29 (2) The resolution must contain a description of each lot or parcel of land, with the name of the owner,
 30 if known, and the amount of each partial payment when made and the day when the payment becomes

1 delinquent.

2 (3) The resolution, signed by the governing body, must be kept on file in the office of the local
3 government clerk."

4

5 **Section 79.** Section 7-13-3027, MCA, is amended to read:

6 **"7-13-3027. Resolution to establish service charges -- hearing -- limitations and tax levy.** The
7 governing body may, subject to the provisions of Title 69, chapter 7, by resolution and after public hearing:

8 (1) establish the rates, charges, and rentals in amounts sufficient in each year to provide income and
9 ~~revenues~~ revenue adequate for the payment of the reasonable expense of operation and maintenance of the
10 system;

11 (2) establish an additional charge for the operation and maintenance of a system and a plant; and

12 (3) subject to [section 1], levy and assess a tax upon the taxable valuation of each and every lot or parcel
13 of land and improvements in the district, not in excess of 2 mills on each dollar of taxable valuation, to provide
14 sufficient ~~revenues~~ revenue for the reserve fund in the amounts necessary to meet the financial requirements of
15 the fund as described in 7-13-3034 through 7-13-3039."

16

17 **Section 80.** Section 7-13-4309, MCA, is amended to read:

18 **"7-13-4309. Procedure to collect sewer charges.** (1) The sewer charges must be collected by the
19 treasurer.

20 (2) On or before July 15 of each year, notice must be given by the city treasurer or town clerk to the
21 owners of all lots or parcels of real estate to which sewer service has been furnished prior to July 1 by the city
22 or town. The notice must specify the assessment owing and in arrears at the time of giving notice. The notice
23 must be in writing and must state the amount of arrearage, including any penalty and interest assessed pursuant
24 to the provisions of the city or town ordinance, and that subject to [section 1], unless the amount is paid by August
25 15, the amount will be levied as a tax against the lot or parcel of real estate to which sewer service was furnished
26 and for which payment is delinquent. The notice must also state that the city or town may by suit collect past-due
27 assessments, interest, and penalties, as a debt owing the city or town, in any court of competent jurisdiction,
28 including city court. The notice may be delivered to the owner personally or by letter addressed to the owner at
29 the post-office address of the owner as shown in property tax records maintained by the department of revenue.

30 (3) (a) Except as provided in subsection (3)(b), on September 1, the city treasurer or town clerk shall

1 certify and file with the department of revenue a list of all lots or parcels of real estate, giving the legal description
 2 of the lot or parcel, to the owners of which notices of arrearage in payments were given and which arrearage
 3 remains unpaid and stating the amount of the arrearage, including any penalty and interest. The department of
 4 revenue shall insert the amount as a tax against the lot or parcel of real estate.

5 (b) In cities where the council has provided by ordinance for the collection of taxes, the city treasurer
 6 shall collect the delinquent amount, including penalty and interest, as a tax against the lot or parcel of real estate
 7 to which sewer service was furnished and payment for which is delinquent.

8 (4) A city or town may, in addition to pursuing the collection of assessments in the same manner as a
 9 tax, bring suit in any court of competent jurisdiction, including city court, to collect the amount due and owing,
 10 including penalties and interest, as a debt owing the city or town."
 11

12 **Section 81.** Section 7-13-4406, MCA, is amended to read:

13 **"7-13-4406. Control over territory occupied by water supply system -- taxation and condemnation**
 14 **powers.** (1) Cities and towns ~~shall~~ have jurisdiction and control over the territory;

15 (a) occupied by their public works;

16 (b) over and along the line of reservoirs, streams, trenches, pipes, drains, and other appurtenances used
 17 in the construction and operation of ~~such~~ public works; and

18 (c) ~~also~~ over the source of streams from which water is taken for the enforcement of its sanitary
 19 ordinances, the abatement of nuisances, and the general preservation of the purity of its water supply, with power
 20 to enact all ordinances and regulations necessary to carry the powers ~~hereby~~ conferred into effect.

21 (2) For ~~this purpose~~ purposes of subsection (1), the city or town ~~shall be~~ is authorized to condemn private
 22 property in the manner provided by law and, ~~shall have~~ subject to [section 1], has the authority to levy a just and
 23 equitable tax on all consumers of water for the purpose of defraying the expenses of its procurement."
 24

25 **Section 82.** Section 7-14-111, MCA, is amended to read:

26 **"7-14-111. Transportation for senior citizens and persons with disabilities.** (1) ~~A~~ Subject to [section
 27 1], a county, urban transportation district, or municipality may, in addition to all other property tax levies authorized
 28 by law, levy up to 1 mill of property taxes to fund special transportation services for senior citizens and persons
 29 with disabilities.

30 (2) The proceeds of the levy may be used to:

1 (a) contract with public or private transportation providers for services to senior citizens and individuals
2 with disabilities; or

3 (b) augment or subsidize provisions for the transportation of senior citizens and individuals with
4 disabilities provided by public transportation providers.

5 (3) If the taxing jurisdiction determines that it is not in the best interest of senior citizens and individuals
6 with disabilities to use the tax levy as provided for in subsection (2), the taxing jurisdiction may use the proceeds
7 of the levy to establish and operate an independent transportation system for senior citizens and individuals with
8 disabilities.

9 (4) Counties, urban transportation districts, and municipalities are encouraged to enter into interlocal
10 agreements to provide regional transportation services to senior citizens and persons with disabilities and may
11 create regional advisory committees to coordinate regional transportation services."
12

13 **Section 83.** Section 7-14-232, MCA, is amended to read:

14 **"7-14-232. Mill levy authorized -- limitation.** (1) ~~The~~ Subject to [section 1], the commissioners shall
15 annually, at the time of levying county taxes, fix and levy a tax in mills upon all property within ~~said~~ the
16 transportation district clearly sufficient to raise the amount certified by the board.

17 (2) The tax ~~se~~ levied for all district purposes other than payment of bonded indebtedness ~~shall~~ may not
18 in any year exceed 12 mills on each dollar of taxable valuation of property within ~~said~~ the district."
19

20 **Section 84.** Section 7-14-1111, MCA, is amended to read:

21 **"7-14-1111. General powers of authority.** An authority has all the powers necessary or convenient to
22 carry out the purposes of this part, including but not limited to the power to:

23 (1) subject to [section 1], request annually the amount of tax to be levied by the governing body for port
24 purposes, which request the governing body may in its discretion approve for port purposes;

25 (2) sue and be sued, have a seal, and have perpetual succession;

26 (3) execute ~~such~~ contracts and other instruments and take ~~such~~ other action as that may be necessary
27 or convenient to carry out the purposes of this part;

28 (4) plan, establish, acquire, develop, construct, purchase, enlarge, improve, maintain, equip, operate,
29 regulate, and protect transportation, storage, or other facilities. For ~~such~~ these purposes an authority may, by
30 purchase, gift, devise, lease, or otherwise, acquire real or personal property or any interest ~~therein~~ in property,

1 including easements.

2 (5) establish comprehensive port zoning regulations in accordance with the laws of this state;

3 (6) acquire, by purchase, gift, devise, lease, or otherwise, existing transportation, storage, or other
4 facilities ~~as~~ that may be necessary or convenient to carry out the purposes of this part. However, an authority may
5 not acquire or take over any transportation, storage, or other facility owned or controlled by another authority,
6 county, municipality, or public agency without the consent of ~~such~~ the authority, county, municipality, or public
7 agency.

8 (7) provide financial and other support to organizations in its jurisdiction, including corporations organized
9 under the provisions of the development corporation act in Title 32, chapter 4, whose purpose is to promote,
10 stimulate, develop, and advance the general welfare, economic development, and prosperity of its jurisdiction
11 and of the state and its citizens by stimulating, assisting in, and supporting the growth of all kinds of economic
12 activity, including the creation, expansion, modernization, retention, and relocation of new and existing
13 businesses and industry in the state, all of which will tend to promote business development, maintain the
14 economic stability and prosperity of the state, and thus provide maximum opportunities for employment and
15 improvement in the standards of living of citizens of the state."

16

17 **Section 85.** Section 7-14-1131, MCA, is amended to read:

18 **"7-14-1131. Municipal tax levy.** ~~The~~ Subject to [section 1], the port authority may request annually from
19 the governing bodies the amount of tax to be levied by each municipality participating in the creation of the port
20 authority, and the municipality may levy the amount requested, pursuant to provisions of law authorizing cities
21 and other political subdivisions of this state to levy taxes. The levy made may not exceed the maximum levy
22 permitted by 67-10-402 for port purposes or any lower limit that may have been established by the municipality
23 or municipalities in the resolution creating the authority. The municipality shall collect the taxes requested by a
24 port authority that it has authorized in the same manner as other taxes are levied and collected and make
25 payment to the port authority. The proceeds of ~~such~~ the taxes when and as paid to the port authority must be
26 deposited in a special account or accounts in which other ~~revenues~~ revenue of the authority ~~are~~ is deposited and
27 may be expended by the authority as provided for in this part. Prior to the issuance of bonds under 7-14-1133
28 and 7-14-1134, the port authority or the municipality may by resolution covenant and agree that the total amount
29 of ~~such~~ taxes then authorized by law, or ~~such~~ the portion ~~thereof~~ as of the taxes that may be specified by the
30 resolution, will be requested, levied, and deposited annually as provided in this section until the bonds and

1 interest ~~thereon~~ are fully paid."

2

3 **Section 86.** Section 7-14-2101, MCA, is amended to read:

4 **"7-14-2101. General powers of county relating to roads and bridges.** (1) The board of county
5 commissioners, under ~~such~~ limitations and restrictions as are prescribed by law, may:

6 (a) (i) lay out, maintain, control, and manage county roads and bridges within the county;

7 (ii) subject to [section 1], levy taxes therefor for county roads and bridges within the county as provided
8 by law;

9 (b) (i) in the exercise of sound discretion, jointly with other counties, lay out, maintain, control, manage,
10 and improve county roads and bridges in adjacent counties, wholly or in ~~such~~ part as may be agreed upon
11 between the boards of the counties concerned;

12 (ii) subject to [section 1], levy taxes therefor for roads and bridges in adjacent counties as provided by
13 law;

14 (c) (i) enter into agreements for adjusted annual contributions over not more than 6 years toward the cost
15 of joint highway or bridge construction projects entered into in cooperation with other counties, the state, or the
16 United States;

17 (ii) subject to [section 1], place ~~such a~~ a joint project in the budget and levy taxes therefor for the project
18 as provided by law.

19 (2) (a) Unless the context requires otherwise, county road means any public highway opened,
20 established, constructed, maintained, abandoned, or discontinued by a county in accordance with this chapter.

21 (b) Unless the context requires otherwise, bridge includes rights-of-way or other interest in land,
22 abutments, superstructures, piers, and approaches except dirt fills."

23

24 **Section 87.** Section 7-14-2205, MCA, is amended to read:

25 **"7-14-2205. Construction of bridge in municipality -- election.** (1) Before undertaking the construction
26 in any city or town of any bridge, the cost of which exceeds \$10,000, the board of county commissioners shall
27 submit to the qualified electors of the county at a general election or a special election held in conjunction with
28 a regular or primary election the question of whether the bridge is to be constructed and paid for by the county.

29 (2) (a) If the electors vote in favor of construction, the board may issue and sell bonds of the county in
30 the amount authorized for the construction of the bridge. Bonds must be issued under the regulations that apply

1 to other bonds of the county.

2 (b) The bridge must be constructed using the proceeds of the bond sale.

3 (3) ~~If Subject to [section 1],~~ if the cost of the bridge does not exceed the amount authorized to be raised
4 by a special tax, it may be levied as provided in 7-14-2503."

5

6 **Section 88.** Section 7-14-2501, MCA, is amended to read:

7 **"7-14-2501. General road tax authorized.** (1) ~~To Subject to [section 1] and to~~ raise revenue for the
8 construction, maintenance, or improvement of public highways, each board of county commissioners may levy
9 a general tax upon the taxable property in the county of not more than 20 mills, except in counties of the fourth,
10 fifth, sixth, and seventh class ~~counties~~, which may levy not more than 23 mills, payable to the county treasurer.
11 The tax ~~from freeholders shall~~ must be collected the same as other taxes, ~~and from nonfreeholders,~~ as the board
12 may direct.

13 (2) This section ~~shall~~ does not apply to incorporated cities and towns ~~which~~ that by ordinance provide
14 for the levy of a ~~the~~ tax for road, street, or alley purposes.

15 (3) All money collected under this section ~~shall belong to~~ must be deposited in the county road fund."

16

17 **Section 89.** Section 7-14-2502, MCA, is amended to read:

18 **"7-14-2502. Special bridge tax authorized -- combined ferry and bridge fund.** (1) ~~Each~~ Subject to
19 [section 1], a board may levy a special tax not to exceed 8 mills on all taxable property in the county for the
20 purpose of constructing, maintaining, and repairing free public bridges, which includes those bridges within the
21 municipalities.

22 (2) ~~An~~ Subject to [section 1], an additional levy for these purposes may be made under the following
23 conditions:

24 (a) In any county where the taxable value of property in that county is \$20 million or less, the board may,
25 if necessary, levy 1 mill.

26 (b) In counties where the taxable value of property in that county is not less than \$20 million or more than
27 \$40 million, the board may, if necessary, levy 2 mills.

28 (3) For the purposes of this section, a free public bridge is defined as any drainage structure located on,
29 over, or through any road or highway.

30 (4) These taxes must be levied and collected in the same manner as other taxes. Except when the

1 county has a combined ferry and bridge fund, the money ~~shall~~ must be kept as a special bridge fund, subject to
 2 the order of the board for use as ~~herein~~ provided in this section, and ~~shall~~ may not be transferable to any other
 3 fund.

4 (5) If a county owns or operates a public ferry, the board may combine into a single fund the revenue
 5 from the county public ferry tax levy authorized in 7-14-2807, the revenue from the special municipal bridge levy
 6 authorized in 7-14-2503, and the revenue from the levy authorized by this section. The fund may be used for any
 7 lawful purpose authorized for bridges in this part or in Title 7, chapter 14, part 22, or for public ferries in Title 7,
 8 chapter 14, part 28."

9

10 **Section 90.** Section 7-14-2503, MCA, is amended to read:

11 **"7-14-2503. Special municipal bridge tax authorized.** ~~Each~~ Subject to [section 1], a board may levy
 12 a special tax not to exceed 5 mills on the taxable property in the county to defray the costs of any bridge required
 13 to be constructed and maintained by the county in any city or town."

14

15 **Section 91.** Section 7-14-2731, MCA, is amended to read:

16 **"7-14-2731. Assessment and lien upon lands benefited by road.** (1) ~~The~~ Subject to [section 1], the
 17 board shall levy and cause to be collected an assessment upon all parcels of land specifically benefited by the
 18 laying out, opening, construction, or improvement, for paying the costs ~~thereof~~ of the road.

19 (2) The assessment ~~shall be~~ is a first lien upon the liable land, prior and superior to all other liens and
 20 encumbrances."

21

22 **Section 92.** Section 7-14-2801, MCA, is amended to read:

23 **"7-14-2801. General powers of county relating to ferries.** The board of county commissioners, under
 24 ~~such~~ limitations and restrictions as are prescribed by law, may:

25 (1) lay out, maintain, control, and manage county ferries within the county and, subject to [section 1], levy
 26 taxes ~~therefor~~ for county ferries as provided by law;

27 (2) in the exercise of sound discretion, jointly with other counties, lay out, maintain, control, manage, and
 28 improve county ferries in adjacent counties, wholly or in ~~such~~ part as may be agreed upon between the boards
 29 of the counties concerned, and subject to [section 1], levy taxes ~~therefor~~ as provided by law."

30

1 **Section 93.** Section 7-14-2807, MCA, is amended to read:

2 **"7-14-2807. Tax levy for public ferry -- combined ferry and bridge fund.** (1) ~~If~~ Subject to [section 1],
3 if a county owns or operates a public ferry, the board of county commissioners may levy a special tax, not to
4 exceed 2 mills on the dollar, on the taxable property of the county for the purpose of constructing, maintaining,
5 and repairing public ferries.

6 (2) The board may combine the revenue from the tax authorized in this section with ~~revenues~~ revenue
7 from taxes to support bridges as provided in 7-14-2502."
8

9 **Section 94.** Section 7-14-4106, MCA, is amended to read:

10 **"7-14-4106. Payment for cost of removing waste.** ~~(1) The~~ Subject to [section 1], the city or town
11 council has power to provide for levying the cost of the removal provided for in 7-14-4105(2) as a special tax
12 against the property from which ~~such~~ the matter was deposited.

13 ~~(2) The city or town council may further, until full liquidation is realized, include in such tax an amount~~
14 ~~not to exceed 20% of any floating indebtedness consisting of valid outstanding warrants drawn and issued against~~
15 ~~the fund or funds used to defray the expense of removing such matter, existing at the close of business on June~~
16 ~~30, 1943, together with not to exceed such per centum of the current interest thereon from such last-mentioned~~
17 ~~date. The money derived from such portion of such levy and assessment for such additional amount, if included~~
18 ~~in such tax, may only be expended toward liquidating such floating indebtedness, together with the interest~~
19 ~~thereon, and not otherwise."~~
20

21 **Section 95.** Section 7-14-4643, MCA, is amended to read:

22 **"7-14-4643. Sources of revenue for payment of revenue bonds.** (1) ~~No revenue~~ Revenue bonds
23 authorized by 7-14-4641 or the interest ~~thereon shall~~ on the bonds may not be payable from or secured by a
24 pledge or mortgage of any funds or properties of the city except those expressly enumerated in subsection (2).

25 (2) A commission may issue ~~such~~ types of revenue bonds ~~as~~ that it may determine, including revenue
26 bonds on which the principal and interest are payable:

27 (a) exclusively from the income and ~~revenues~~ revenue of the parking facilities financed with the proceeds
28 of ~~such~~ the bonds;

29 (b) exclusively from the income and ~~revenues~~ revenue of certain designated parking facilities whether
30 or not they were financed in whole or in part with the proceeds of ~~such~~ the bonds;

1 (c) from a charge on ~~such revenues~~ revenue either prior or subordinate to the payment of any designated
2 part or all of the costs of operation and maintenance and other expenses of ~~such~~ the facilities;

3 (d) from any contributions or other financial assistance from the state or federal governments;

4 (e) from any or all onstreet parking meter ~~revenues~~ revenue of the city ~~which~~ that may be pledged and
5 appropriated by or under authority of the legislative body for this purpose until the bonds are fully paid;

6 (f) subject to [section 1], from the collections of special assessments and interest ~~thereon~~ on the
7 assessments levied to finance the cost of parking facilities under any of the provisions of parts 41 through 45 of
8 chapter 12 and part 47 of this chapter ~~which~~ that may be pledged and appropriated by or under authority of the
9 legislative body for the payment of revenue bonds issued under the provisions of this section and that are not
10 pledged for the payment of special improvement district bonds;

11 (g) from a reserve ~~which~~ that may be established and agreed to be maintained by the transfer of ~~such~~
12 other city funds ~~as~~ that may be pledged and appropriated, by or under authority of the legislative body, to meet
13 deficiencies in the reserve until the bonds are fully paid;

14 (h) from the proceeds of sale upon foreclosure of any mortgage of an offstreet parking facility made by
15 or under authority of the legislative body to secure the payment of any revenue bonds issued under this section,
16 provided that ~~no such~~ another mortgage ~~shall~~ may not be placed upon any property of the city or commission
17 unless the cost of ~~such~~ the property to the city has been paid from the proceeds of ~~such~~ the bonds; or

18 (i) any combination of these sources."
19

20 **Section 96.** Section 7-14-4644, MCA, is amended to read:

21 **"7-14-4644. Restrictions on use of reserve to make payments on revenue bonds.** The funds from
22 which the transfers authorized by 7-14-4643(2)(g) are made ~~shall~~ must be reimbursed from the next ~~collections~~
23 collection of other ~~revenues~~ revenue enumerated in 7-14-4643 ~~which are~~ that is not needed for full compliance
24 with provisions of indentures securing all outstanding obligations of the commission. ~~Nothing herein shall~~ Subject
25 to [section 1], this section does not permit the levy of taxes at any time in excess of the deficiency then existing
26 in the reserve; ~~but such~~ Subject to [section 1], a tax as may be needed, with other funds determined by the
27 legislative body to be available to meet the deficiency, may ~~and shall~~ be levied and ~~shall is not be~~ subject to any
28 limitation of rate or amount provided in any other law."
29

30 **Section 97.** Section 7-14-4703, MCA, is amended to read:

1 **"7-14-4703. Provision for payment of damages due to creation of pedestrian mall.** When the public
 2 interest or convenience requires, the governing body of a municipality may pay, from general funds of the
 3 municipality or other available money or from the proceeds of assessments levied on lands benefited by the
 4 establishment of a pedestrian mall, the damages, if any, allowed or awarded to any property owner by reason
 5 of the establishment of a pedestrian mall. The resolution of intention must contain a statement that, subject to
 6 [section 1], an assessment will be levied to pay the whole or a stated portion of ~~such~~ damages, if any, allowed
 7 or awarded to any property owner by reason of the establishment of ~~such~~ the pedestrian mall."
 8

9 **Section 98.** Section 7-14-4713, MCA, is amended to read:

10 **"7-14-4713. Estimates of expenses -- tax levy.** (1) The governing body shall:

11 (a) make annual statements and estimates of the expenses of the district ~~which shall be~~ that are provided
 12 for by the levy and collection of ad valorem taxes upon the taxable value of all the real and personal property in
 13 the district;

14 (b) publish notice ~~thereof~~ of the estimates; and

15 (c) have hearings on the statements and estimates and adopt them as provided for incorporated cities
 16 and towns by 7-12-4104, 7-12-4106, 7-12-4110, 7-12-4112, 7-12-4113, and 7-12-4117.

17 (2) ~~The~~ Subject to [section 1], the governing body, on or before the second Monday in August of each
 18 year, shall fix, levy, and assess the amount to be raised by ad valorem taxes upon all of the property of the
 19 district. All statutes providing for the levy and collection of state and county taxes, including the collection of
 20 delinquent taxes and sale of property for nonpayment of taxes, ~~shall be~~ are applicable to the district taxes
 21 provided for under this section."
 22

23 **Section 99.** Section 7-14-4734, MCA, is amended to read:

24 **"7-14-4734. Expense estimate -- assessments and tax levy.** (1) The governing body shall:

25 (a) make annual statements and estimates of the expenses of the district ~~which shall be~~ that are provided
 26 for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property
 27 in the district;

28 (b) publish notice ~~thereof~~ of the estimates; and

29 (c) have hearings ~~thereon~~ and adopt an ordinance ~~thereon~~ on the estimates at the times and in the
 30 manner provided for incorporated cities and towns by the applicable portions of 7-12-4175.

1 (2) ~~The~~ Subject to [section 1], the governing body, on or before the second Monday in August of each
 2 year, shall fix, levy, and assess the amount to be raised by ad valorem taxes upon all of the property of the
 3 district. All statutes providing for the levy and collection of state and county taxes, including the collection of
 4 delinquent taxes and sale of property for nonpayment of taxes, are applicable to the district taxes provided for
 5 under this section.

6 (3) ~~No~~ An assessment for district purposes against the property within ~~such~~ the district may not exceed
 7 12 mills upon each dollar of taxable valuation in any tax year."

8
 9 **Section 100.** Section 7-15-4281, MCA, is amended to read:

10 **"7-15-4281. Financial authority in connection with urban renewal.** (1) ~~Every~~ A municipality shall have
 11 power to:

12 (a) borrow money and apply for and accept advances, loans, grants, contributions, and any other form
 13 of financial assistance for the purposes of this part and enter into and carry out contracts in connection with the
 14 financial assistance from:

15 (i) the federal government;

16 (ii) ~~from~~ the state, a county, or any other public body; or

17 (iii) ~~from any sources, public or private, for the purposes of this part and enter into and carry out contracts~~
 18 ~~in connection therewith;~~

19 (b) (i) appropriate ~~such~~ funds and make ~~such~~ expenditures as may be necessary to carry out the
 20 purposes of this part; and

21 (ii) subject to [section 1] and in accordance with state law, levy taxes and assessments for ~~such~~ the
 22 purposes of this part;

23 (c) invest any urban renewal project funds held in reserves or sinking funds or any ~~such~~ funds ~~which that~~
 24 are not required for immediate disbursement in property or securities in which mutual savings banks may legally
 25 invest funds subject to their control;

26 (d) adopt, in accordance with state law, annual budgets for the operation of an urban renewal agency,
 27 department, or office vested with urban renewal project powers under 7-15-4231;

28 (e) enter, in accordance with state law, into agreements, which may extend over any period, with
 29 agencies or departments vested with urban renewal project powers under 7-15-4231 respecting action to be
 30 taken by ~~such~~ the municipality pursuant to any of the powers granted by ~~this part or part 43~~ or this part;

1 (f) close, vacate, plan, or replan streets, roads, sidewalks, ways, or other places and plan or replan, zone
2 or rezone any part of the municipality in accordance with state law.

3 (2) A municipality may include in any application or contract for financial assistance with the federal
4 government for an urban renewal project ~~such the~~ conditions imposed pursuant to federal laws ~~as~~ that the
5 municipality may ~~deem~~ consider reasonable and appropriate and ~~which~~ that are not inconsistent with the
6 purposes of ~~this part and~~ part 43 and this part."

7
8 **Section 101.** Section 7-15-4283, MCA, is amended to read:

9 **"7-15-4283. Definitions related to tax increment financing.** For purposes of 7-15-4282 through
10 7-15-4292 and 7-15-4297 through 7-15-4299, the following definitions apply unless otherwise provided or
11 indicated by the context:

12 (1) "Actual taxable value" means the taxable value of taxable property at any time, as calculated from
13 the assessment roll last equalized.

14 (2) "Base taxable value" means the actual taxable value of all taxable property within an urban renewal
15 area or industrial district prior to the effective date of a tax increment financing provision. This value may be
16 adjusted as provided in 7-15-4287 or 7-15-4293.

17 (3) "Incremental taxable value" means the amount, if any, by which the actual taxable value at any time
18 exceeds the base taxable value of all property within an urban renewal area or industrial district subject to
19 taxation.

20 (4) "Industrial district" means a tax increment financing industrial district created pursuant to 7-15-4299.

21 (5) "Industrial infrastructure development project" means a project undertaken within or for an industrial
22 district that consists of any or all of the activities authorized by 7-15-4288.

23 (6) "Municipality", for the purpose of an industrial district created pursuant to 7-15-4297 through
24 7-15-4299 and operating pursuant to 7-15-4282 through 7-15-4293 and part 43 of this chapter, means any
25 incorporated city or town, county, or city-county consolidated local government.

26 (7) "Tax increment" means, subject to [section 1], the collections realized from extending the tax levies,
27 expressed in mills, of all taxing bodies in which the urban renewal area or industrial district or a part thereof is
28 located against the incremental taxable value.

29 (8) "Tax increment provision" means, subject to [section 1], a provision for the segregation and
30 application of tax increments as authorized by 7-15-4282 through 7-15-4292.

1 (9) "Taxes" means all taxes levied by a taxing body against property on an ad valorem basis.

2 (10) "Taxing body" means any city, town, county, school district, or other political subdivision or
3 governmental unit of the state, including the state, ~~which~~ that levies taxes against property within the urban
4 renewal area or industrial district."
5

6 **Section 102.** Section 7-15-4286, MCA, is amended to read:

7 **"7-15-4286. Procedure to determine and disburse tax increment.** (1) Mill rates of taxing bodies for
8 taxes levied after the effective date of the tax increment provision must be calculated on the basis of the sum of
9 the taxable value, as shown by the last equalized assessment roll, of all taxable property located outside the
10 urban renewal area or industrial district and the base taxable value of all taxable property located within the urban
11 renewal area or industrial district. The mill rate determined must be levied against the sum of the actual taxable
12 value of all taxable property located within as well as outside the urban renewal area or industrial district.

13 (2) (a) ~~The Subject to [section 1], the~~ tax increment, if any, received in each year from the levy of the
14 combined mill rates of all the affected taxing bodies against the incremental taxable value within the urban
15 renewal area or industrial district, except for the university system mills levied and assessed against property,
16 must be paid into a special fund held by the treasurer of the municipality and used as provided in 7-15-4282
17 through 7-15-4292.

18 (b) The balance of the taxes collected in each year must be paid to each of the taxing bodies as
19 otherwise provided by law."
20

21 **Section 103.** Section 7-15-4292, MCA, is amended to read:

22 **"7-15-4292. Termination of tax increment financing -- exception.** (1) The tax increment provision
23 terminates upon the later of:

24 (a) the 15th year following its adoption or, if the tax increment provision was adopted prior to January
25 1, 1980, upon the 17th year following adoption; or

26 (b) the payment or provision for payment in full or discharge of all bonds for which the tax increment has
27 been pledged and the interest on the bonds.

28 (2) Any amounts remaining in the special fund or any reserve fund after termination of the tax increment
29 provision must be distributed among the various taxing bodies in proportion to their property tax revenue from
30 the district.

1 (3) ~~After Subject to [section 1], after~~ termination of the tax increment provision, all taxes must be levied
2 upon the actual taxable value of the taxable property in the urban renewal area or the industrial district and must
3 be paid into the funds of the respective taxing bodies.

4 (4) Bonds secured in whole or in part by a tax increment provision may not be issued after the 15th
5 anniversary of tax increment provisions adopted after January 1, 1980, and the 17th anniversary of tax increment
6 provisions adopted prior to January 1, 1980. However, if bonds secured by a tax increment provision are
7 outstanding on the applicable anniversary, additional bonds secured by the tax increment provision may be
8 issued if the final maturity date of the bonds is not later than the final maturity date of any bonds then outstanding
9 and secured by the tax increment provision."

10
11 **Section 104.** Section 7-16-101, MCA, is amended to read:

12 **"7-16-101. Creation of funds for recreational and other activities of elderly by local governments.**

13 (1) ~~The Subject to [section 1], the~~ governing body of a city, county, town, or municipality may in its discretion
14 establish a fund to promote, establish, and maintain recreational, educational, and other activities of the elderly
15 by a levy of up to 1 mill on each dollar of taxable property, ~~which~~ The tax levy shall be is in addition to all other
16 tax levies.

17 (2) The governing body ~~shall have the power~~ may, by resolution, ~~to~~ make expenditures from the fund
18 as it may from time to time determine. Expenditures ~~shall~~ must be made for the promotion and development of
19 recreational, educational, and other activities of the elderly, including motivation of the use of the talents of the
20 elderly.

21 (3) The governing body may make payment of expenditures to nonprofit corporations or associations
22 engaged in aiding the activities."

23
24 **Section 105.** Section 7-16-2102, MCA, is amended to read:

25 **"7-16-2102. Authorization for tax levy for parks and certain cultural, social, and recreational**
26 **facilities.** (1) ~~The Subject to [section 1], the~~ board of county commissioners may annually levy on the taxable
27 property of the county, in the same manner and at the same time as other county taxes are levied, a special tax,
28 not to exceed 2 mills on each dollar of the taxable valuation for any ~~one~~ 1 year, for the purpose of maintaining,
29 operating, and equipping parks, cultural facilities, and any county-owned civic center, youth center, recreation
30 center, recreational complex, or any combination ~~thereof~~ of purposes, parks, and facilities.

1 (2) (a) The board of county commissioners ~~must~~ shall submit the question of imposing or the continued
 2 imposition of the property tax mill levy provided in subsection (1) to the electors of the county at the next general
 3 election if a petition requesting ~~such~~ an election, signed by at least 15% of the resident taxpayers of the county,
 4 is filed with the county clerk. The petition must be filed with the county clerk at least 90 days prior to the date of
 5 the general election.

6 (b) The question ~~will~~ must be submitted substantially as follows:

7 FOR the imposition (or continued imposition) of a property tax, not to exceed 2 mills, for county
 8 parks and for county-owned cultural, social, and recreational facilities.

9 AGAINST the imposition (or continued imposition) of a property tax for county parks and for
 10 county-owned cultural, social, and recreational facilities.

11 (c) The board of county commissioners shall levy ~~such a~~ the tax for the 2 subsequent fiscal years if the
 12 question for the imposition of the tax is approved by a majority of the electors voting on the question.

13 (3) All laws applicable to the collection of county taxes ~~shall~~ apply to the collection of the tax provided
 14 herein for in this section."

15
 16 **Section 106.** Section 7-16-2108, MCA, is amended to read:

17 **"7-16-2108. Authorization to levy tax and establish fund for establishment and maintenance of**
 18 **programs and employee training for day-care facilities.** (1) ~~The~~ Subject to [section 1], the governing body of
 19 a county, city, town, or municipality may ~~in its discretion~~ establish a fund to establish and maintain programs for
 20 the operation of licensed day-care centers and homes within the geographic boundaries of the governing body
 21 by a levy of up to 1 mill on each dollar of taxable property ~~of said governing body~~ within the county, city, town,
 22 or municipality. The tax levy ~~shall be~~ is in addition to all other tax levies.

23 (2) The governing body ~~shall have the power~~ may, by resolution, ~~to~~ make expenditures from the fund
 24 as it may from time to time determine, provided that expenditures ~~shall~~ must be made solely for the establishment,
 25 maintenance, and development of programs for and training of operators and employees of day-care centers and
 26 homes."
 27

28 **Section 107.** Section 7-16-2109, MCA, is amended to read:

29 **"7-16-2109. Single tax for county fair activities, county parks, and certain cultural, social, and**
 30 **recreational facilities -- restriction.** (1) ~~Except~~ Subject to [section 1] and except as provided in subsection (2),

1 the county commissioners of a county who have levied taxes pursuant to both 7-16-2102 and 7-21-3410 before
 2 January 1, 1993, may combine the two taxes into a single tax that may not exceed 3 1/2 mills on each dollar of
 3 the taxable valuation for any 1 year for the purpose of maintaining, operating, and equipping county fair activities,
 4 county parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational
 5 complex, or any combination thereof of purposes, activities, and facilities. The money collected may be distributed
 6 among the activities and facilities as determined by the county commissioners.

7 (2) (a) The board of county commissioners shall submit the question of imposing or continuing the
 8 imposition of the single tax provided for in subsection (1) to the electors of the county at the next general election
 9 if a petition requesting a vote on the single tax, signed by at least 15% of the resident taxpayers of the county,
 10 is filed with the county clerk at least 90 days prior to the date of the general election.

11 (b) The question must be submitted substantially as follows:

12 FOR imposition (or continued imposition) of a property tax, not to exceed 3 1/2 mills, for county
 13 fair activities, county parks, and county-owned cultural, social, and recreational facilities.

14 AGAINST imposition (or continued imposition) of a property tax, not to exceed 3 1/2 mills, for
 15 county fair activities, county parks, and county-owned cultural, social, and recreational facilities.

16 (c) The board of county commissioners shall levy the tax for the 2 subsequent fiscal years if the
 17 imposition or continued imposition of the single tax is approved by a majority of the electors voting on the
 18 question."

19
 20 **Section 108.** Section 7-16-2205, MCA, is amended to read:

21 **"7-16-2205. Authorization for mill levy.** (1) The board of county commissioners of any county owning,
 22 acquiring, contributing, or making a grant to any museum, facility for the arts and the humanities, or collection of
 23 exhibits as set forth in 7-16-2202:

24 (a) (i) may make an appropriation in its annual budget for the upkeep, care, maintenance, operation, and
 25 support of the museum, facility, or collection;

26 (ii) may make an appropriation in its annual budget for a grant program for private, nonprofit museums
 27 and private, nonprofit facilities for the arts and the humanities; and

28 (b) in order to ~~meet and take care of~~ fund the appropriation or grant program, may, subject to [section
 29 1], annually levy a tax not to exceed 2 mills on each dollar of the taxable valuation of the property subject to
 30 taxation in the county.

1 (2) The levy must be made at the same time as other levies are made for county and school purposes.

2 (3) The proceeds from the collection of the levy must be kept in a special fund by the county treasurer
3 and used, at the discretion of the board of county commissioners, solely for the purpose for which the levy was
4 made."

5

6 **Section 109.** Section 7-16-2411, MCA, is amended to read:

7 **"7-16-2411. Creation of county park district.** (1) Proceedings for the creation of a county park district
8 may be initiated by:

9 (a) a petition signed by not less than 10% of the qualified electors of the proposed park district; or

10 (b) a resolution of intent adopted by the county governing body, calling for the creation of a county park
11 district.

12 (2) The petition or resolution must contain:

13 (a) the boundaries of the proposed district;

14 (b) subject to [section 1], the proposed maximum property tax mill levy that could be levied on property
15 owners within the district for the operation of the district; and

16 (c) the proposed number of members of the county park district commission. The number of members
17 must be an odd number and may not be less than three.

18 (3) When the territory to be included in the proposed district lies in more than one county, a petition must
19 be presented to the governing body of each county in which the territory lies. Each petition must be signed by not
20 less than 10% of the qualified electors of the territory within the county proposed to be included in the district.

21 (4) Upon receipt of a petition for the creation of a county park district, the county clerk shall examine it
22 and within 15 days either reject the petition if it is insufficient under the provisions of subsection (1), (2), or (3) or
23 certify that the petition is sufficient and present it to the county governing body at its next meeting.

24 (5) The text of the petition or resolution must be published as provided in 7-1-2121 in each county in
25 which the territory of the proposed district lies.

26 (6) At the hearing, the county governing body shall hear:

27 (a) testimony of all interested persons on whether a county park district should be created;

28 (b) testimony regarding the proposed boundary, property tax mill levy, and number of members of the
29 district commission; and

30 (c) any other matter relating to the proposed district.

1 (7) After the hearing, if the county governing body determines that the proposed park district should be
2 created, it shall by resolution set the boundaries of the proposed park district, the maximum mill levy for the
3 proposed park district, and the number of members to be on the district commission. The resolution must also
4 call for an election on the question of whether to create the county park district. The election must be held in
5 conjunction with a regular or primary election, provided that at least 75 days have elapsed between the adoption
6 of the resolution and the election."

7
8 **Section 110.** Section 7-16-2423, MCA, is amended to read:

9 **"7-16-2423. Powers of county park district commission.** A county park district commission has all
10 powers necessary for the betterment, operation, maintenance, and administration of park and recreation land
11 within the territory of the district. In the exercise of this general grant of powers, the county park district
12 commission may:

13 (1) employ or contract with administrative, professional, and other personnel necessary for the operation
14 of the district;

15 (2) lease, purchase, or contract for the purchase of personal property, including property ~~which~~ that after
16 purchase constitutes a fixture on real property;

17 (3) lease, purchase, or contract for the purchase of buildings and facilities on lands controlled by the
18 district and equip, operate, and maintain ~~such~~ the buildings and facilities;

19 (4) adopt by resolution rules for the operation and administration of all parks and recreational facilities
20 under its control;

21 (5) impose by resolution and collect charges for ~~such~~ services and facilities provided by the district ~~as~~
22 that the commission considers necessary for the prudent operation of the district;

23 (6) subject to [section 1], establish a property tax mill levy for the operation of the district as provided in
24 7-16-2431;

25 (7) enter into agreements with any public or private entity or person for the operation of parks or
26 recreational areas either by the district on behalf of the landowner or by another entity on behalf of the district;

27 (8) with the concurrence of the county governing body or bodies, accept donations of land or
28 recreational-type easements on land within the district for park or recreational purposes on behalf and in the
29 name of the county or counties;

30 (9) accept donations and devises of money or personal property."

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Section 111. Section 7-16-2431, MCA, is amended to read:

"7-16-2431. District budget -- property tax levy. (1) The county park district commission shall annually prepare a budget for the ensuing fiscal year and present the budget to the governing body of each county with territory included in the district at the regular budget meetings as prescribed in Title 7, chapter 6, part 23, and certify the amount of money necessary for the operation of the district for the ensuing fiscal year.

(2) ~~The Subject to [section 1],~~ the county governing body shall, annually at the time of levying county taxes, fix and levy a tax in mills on all taxable property within the district sufficient to raise the amount certified by the county park district commission. The tax levied may not in any year exceed the maximum amount approved by the electorate in 7-16-2411 or 7-16-2432."

Section 112. Section 7-16-2443, MCA, is amended to read:

"7-16-2443. Effect of dissolution. (1) If dissolution of a county park district is authorized by a majority of the electorate of the district, the county governing body shall order the dissolution and file the order with the county clerk. The dissolution is effective upon the earlier of the following:

(a) 6 months after the date of filing of the order; or

(b) certification by the members of the county park commission that all debts and obligations of the district have been paid, discharged, or irrevocably settled.

(2) If debts or obligations of the district remain unsatisfied after the dissolution of the district, the county governing body shall, subject to [section 1] and for as long as necessary, levy a property tax, in an amount not to exceed the voted maximum authorized by the district, on all taxable property that is in the territory formerly comprising the district, to be used to discharge the debts of the former district. If the electors of the district lowered the maximum amount to be levied for the operation of the district within 2 calendar years prior to the election authorizing the dissolution, the county governing body ~~is authorized to~~ may, subject to [section 1], levy a property tax not to exceed the maximum levy authorized prior to the reduction of the maximum levy for the discharge of the district's obligations.

(3) Any assets of the district remaining after all debts and obligations have been discharged become the property of the county."

Section 113. Section 7-16-4105, MCA, is amended to read:

1 **"7-16-4105. Authorization to levy tax for various cultural, social, and recreational facilities.** For
 2 Subject to [section 1] and for the purpose of procuring, equipping, and maintaining public parks, swimming pools,
 3 skating rinks, playgrounds, civic centers, youth centers, museums, and ~~combinations thereof~~ combination of
 4 purposes and facilities, the council or commission in any city or town may levy, in addition to the levy for general
 5 municipal or administrative purposes, an amount not exceeding 7 mills on the dollar on the taxable value of the
 6 property to be taxed ~~of~~ in the city or town."

7
 8 **Section 114.** Section 7-16-4113, MCA, is amended to read:

9 **"7-16-4113. Tax levy for band concerts.** For Subject to [section 1] and for the purpose of providing
 10 band concerts, the council or other governing body in any city of the first, second, or third class or of any
 11 incorporated town may assess and levy, in addition to the levy for general municipal or administrative purposes,
 12 an amount not to exceed 1 mill on the dollar on the taxable value of the property of the city or town subject to
 13 taxation."

14
 15 **Section 115.** Section 7-16-4114, MCA, is amended to read:

16 **"7-16-4114. Authorization to levy tax and establish fund for establishment and maintenance of**
 17 **programs and employee training for day-care facilities.** (1) ~~The~~ Subject to [section 1], the governing body of
 18 a county, city, town, or municipality may ~~in its discretion~~ establish a fund to establish and maintain programs for
 19 the operation of licensed day-care centers and homes within the geographic boundaries of the governing body
 20 by a levy of up to 1 mill on each dollar of taxable property ~~of said governing body~~ in the county, city, town, or
 21 municipality. The tax levy ~~shall be~~ is in addition to all other tax levies.

22 (2) The governing body ~~shall have the power~~ may, by resolution, ~~to~~ make expenditures from the fund
 23 as it may from time to time determine, provided that expenditures ~~shall~~ must be made solely for the establishment,
 24 maintenance, and development of programs for and training of operators and employees of day-care centers and
 25 homes."

26
 27 **Section 116.** Section 7-21-3203, MCA, is amended to read:

28 **"7-21-3203. Support of extension work in agriculture and home economics.** (1) The county
 29 commissioners of any county may appropriate money from the general funds of the county treasury or from funds
 30 provided by special levy, ~~which the county commissioners are hereby authorized to make at the same time as~~

1 ~~other levies for county purposes~~, for the purpose of carrying on extension work in agriculture and home
 2 economics within the county in cooperation with Montana state university-Bozeman and the United States
 3 department of agriculture. Subject to [section 1], the county commissioners may impose the levy for the purpose
 4 of this section at the same time as other levies for county purposes are imposed.

5 (2) The amount of ~~such an~~ appropriation in any county, its method of expenditure, the responsibility for
 6 the direction of the work, and the procedure of appointing agents and the compensation and conditions of service
 7 of ~~such~~ agents ~~shall~~ must be covered in memoranda of agreement between the county commissioners and
 8 Montana state university-Bozeman."

9
 10 **Section 117.** Section 7-21-3410, MCA, is amended to read:

11 **"7-21-3410. Funding of county fair activities.** (1) The board of county commissioners ~~of their~~
 12 ~~respective counties~~ may appropriate annually, out of the general fund of the county treasury and to the county
 13 fair commission, a sum not to exceed \$3,500, to be expended by the county fair commission for the purpose of
 14 holding a county fair ~~and/or~~ or junior fair and for advertising the products and resources of ~~their~~ the county.

15 (2) ~~In~~ Subject to [section 1] and in addition to ~~the appropriation above provided for or in lieu thereof of~~
 16 the appropriation provided for in subsection (1), the county commissioners ~~of any county in Montana shall have~~
 17 ~~the power to~~ may levy an ad valorem tax of 1 1/2 mills or less on each dollar of taxable property in ~~such~~ the
 18 county for the purpose of securing, equipping, maintaining, and operating a county fair ~~and/or~~ or a junior fair,
 19 including the purchase of land ~~for such purposes~~ and the erection of ~~such~~ buildings and other appurtenances as
 20 may be necessary.

21 (3) The funds derived from ~~such~~ the appropriation or tax levy ~~shall~~ must be kept in a separate fund by
 22 the county treasurer and ~~shall~~ must be paid out by the treasurer on order signed by the president and secretary
 23 of the fair commission."

24
 25 **Section 118.** Section 7-21-3432, MCA, is amended to read:

26 **"7-21-3432. Effect of failure of county commissioners to meet or take action.** If the county
 27 commissioners fail to hold the joint meeting or fail to take any action, then the budget certified by the secretary
 28 of the fair district ~~shall be~~ is approved without further action and, subject to [section 1], the sums of money
 29 apportioned to the county ~~shall~~ must be the sums to be raised by special levy for this purpose."

1 **Section 119.** Section 7-21-3433, MCA, is amended to read:

2 **"7-21-3433. Authorization for mill levy.** (1) For the purpose of raising the ~~revenues~~ revenue provided
3 for in 7-21-3432, the board of county commissioners of each county in the district shall, subject to [section 1],
4 annually make a levy to raise the required sum apportioned to the respective county.

5 (2) ~~However, the~~ The levy shall provided for in subsection (1) may not exceed 1 mill on the dollar of the
6 taxable value of all the taxable property in the county, except in the case of the county in which the fair is being
7 conducted. In ~~this~~ that county, the levy ~~shall~~ may not exceed 1 1/2 mills on the dollar of taxable property in the
8 county."

9

10 **Section 120.** Section 7-22-2142, MCA, is amended to read:

11 **"7-22-2142. Sources of money for noxious weed fund.** (1) The commissioners may create the
12 noxious weed fund and provide sufficient money in the fund for the board to fulfill its duties, as specified in
13 7-22-2109, by:

14 (a) appropriating money from the general fund of the county;

15 (b) subject to [section 1] and at any time fixed by law for levy and assessment of taxes, levying a tax not
16 exceeding 2 mills on the dollar of total taxable valuation in the county. The tax levied under this subsection must
17 be identified on the assessment as the tax that will be used for noxious weed control.

18 (c) levying a tax in excess of 2 mills if authorized by a majority of the qualified electors voting in an
19 election held for this purpose pursuant to 7-6-2531 through 7-6-2536.

20 (2) The proceeds of the noxious weed control tax must be used solely for the purpose of managing
21 noxious weeds in the county and must be designated to the noxious weed fund.

22 (3) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be
23 available for reuse within that fiscal year or any subsequent year.

24 (4) The commissioners may accept any private, state, or federal gifts, grants, contracts, or other funds
25 to aid in the management of noxious weeds within the district. These funds must be placed in the noxious weed
26 fund."

27

28 **Section 121.** Section 7-22-2222, MCA, is amended to read:

29 **"7-22-2222. Mill levy authorized.** To administer and implement a rodent abatement program, the
30 governing body may, subject to [section 1], levy a tax, not to exceed 2 mills, on the taxable value of the

1 horticultural, farming, grazing, forest, and railroad lands within the district. The proceeds of the levy are to be
 2 placed in the district fund."

3

4 **Section 122.** Section 7-22-2306, MCA, is amended to read:

5 **"7-22-2306. Financing of insect pest control program.** (1) The governing body of the county shall
 6 annually determine the amount of the warrants drawn on the general fund for the purposes of controlling insect
 7 pests under a control program approved by the department of agriculture.

8 (2) ~~In~~ Subject to [section 1], in the succeeding year, the governing body shall levy a tax for the purpose
 9 of insect pest extermination sufficient to reimburse the general fund for the money paid out on the warrants. The
 10 tax ~~shall~~ must be levied upon all the property in the county and ~~shall~~ may not exceed 3 mills on each dollar of
 11 taxable value.

12 (3) If there is no money in the general fund with which to pay ~~such~~ the warrants, they ~~shall~~ must be
 13 registered and bear interest in the same manner as other county warrants. In this case, the interest ~~shall~~ must
 14 be computed and added to the amount for which ~~such~~ the tax is levied."

15

16 **Section 123.** Section 7-22-2432, MCA, is amended to read:

17 **"7-22-2432. Financing of mosquito control district -- levy of district taxes -- limit on mill levy -- fee**
 18 **on structures.** (1) ~~The~~ Subject to [section 1], the board of county commissioners of any county within which a
 19 mosquito control board has been created shall finance the operation of the district by levying a tax not exceeding
 20 5 mills on the dollar of the total taxable valuation in the district on all property situated within the district at the time
 21 fixed by law for levy and assessment of taxes.

22 (2) Instead of or in addition to imposing the levy authorized in subsection (1), the county commissioners
 23 may, upon an affirmative vote of a majority of the qualified voters residing in the mosquito control district, collect
 24 an annual fee from the owners of structures that are benefited by the mosquito control services offered by the
 25 district. The schedule of fees is as follows:

26 (a) up to \$20 per single-unit dwelling;

27 (b) up to \$20 per unit in a duplex dwelling;

28 (c) up to \$5 per unit in a multiple-unit dwelling;

29 (d) up to \$75 per commercial establishment;

30 (e) up to \$50 on each irrigated parcel of property that does not contain a dwelling; and

1 (f) up to \$15 on each nonirrigated parcel of property that does not contain a dwelling.

2 (3) A countywide mosquito control district may be financed by a property tax pursuant to subsection (1)
3 or a fee under subsection (2), but not by both a tax and a fee.

4 (4) The fees provided for in subsection (2) must be collected with the general taxes of the county. The
5 assessments are a lien on the property assessed.

6 (5) The proceeds from the tax and the fees must be placed in a separate fund with the county treasurer
7 of the county and must be used solely for the purpose for which the mosquito control district was created."
8

9 **Section 124.** Section 7-22-2512, MCA, is amended to read:

10 **"7-22-2512. Financing of vertebrate pest management program -- tax.** (1) A governing body may:

11 (a) appropriate from the county general fund an amount not in excess of \$10,000 annually and transfer
12 it to the county vertebrate pest management fund; and

13 (b) subject to [section 1], levy a vertebrate pest management tax not to exceed 2 mills on the taxable
14 valuation of all agricultural, horticultural, grazing, and timber lands and their improvements. Land within a rodent
15 control district may not be taxed in any given year under both 7-22-2222 and this section for the control of rodents
16 as defined in 7-22-2207. Land within a rodent control district may be taxed under this section only a dollar amount
17 that is proportional to the part of the vertebrate pest program's projected fiscal year budget ~~which~~ that is allocated
18 to the management and suppression of vertebrate pests other than rodents.

19 (2) The tax provided for in subsection (1) must be collected as other county taxes and credited to the
20 county vertebrate pest management fund."
21

22 **Section 125.** Section 7-22-4101, MCA, is amended to read:

23 **"7-22-4101. Control of nuisance weeds within municipality.** (1) The city or town council ~~has power~~
24 to may:

25 (a) declare and determine what types of vegetation within the city or town ~~shall be~~ are nuisance weeds;

26 (b) provide the manner in which ~~they shall be~~ the nuisance weeds are exterminated;

27 (c) require the owner or owners of any property within ~~said~~ the city or town to exterminate or remove
28 nuisance weeds from their premises and the one-half of any road or street lying next to the land or boulevard
29 abutting ~~thereon~~ their premises; and

30 (d) subject to [section 1], provide, in the event the owner or owners of any of ~~said~~ premises neglect to

1 exterminate or remove the nuisance weeds therefrom, for levying the cost of ~~such~~ the extermination or removal
 2 as a special tax against the property.

3 (2) A noxious weed as defined in 7-22-2101 may not be declared a nuisance weed under this section."
 4

5 **Section 126.** Section 7-32-4117, MCA, is amended to read:

6 **"7-32-4117. Group insurance for ~~policemen~~ police officers -- funding.** (1) Cities of all classes, if they
 7 provide insurance for other city employees under Title 2, chapter 18, part 7, shall:

8 (a) provide the same insurance to their respective ~~policemen~~ police officers;

9 (b) notwithstanding Title 2, chapter 18, part 7, pay no less than the premium rate in effect as of July 1,
 10 1980, for insurance coverage for ~~policemen~~ police officers and their dependents;

11 (c) provide for collective bargaining or other agreement processes to negotiate additional premium
 12 payments beyond the amount guaranteed by subsection (1)(b).

13 (2) In compliance with 1-2-112 and subject to [section 1], the administration of this section is declared
 14 a public purpose of a city, which may be paid out of the general fund of the governing body and financed by a levy
 15 not to exceed 2 mills on the taxable value of property within the city or town."
 16

17 **Section 127.** Section 7-33-2109, MCA, is amended to read:

18 **"7-33-2109. Tax levy, debt incurrence, and bonds authorized.** (1) At the time of the annual levy of
 19 taxes, the board of county commissioners may, subject to [section 1], levy a special tax upon all property within
 20 a rural fire district for the purpose of buying or maintaining fire protection facilities and apparatus, including
 21 emergency response apparatus, for the district or for the purpose of paying to a city, town, or private fire service
 22 the consideration provided for in any contract with the council of the city, town, or private fire service for the
 23 purpose of furnishing fire protection service to property within the district. The tax must be collected as are other
 24 taxes.

25 (2) The board of county commissioners or the trustees, if the district is governed by trustees, may pledge
 26 the income of the district, subject to the requirements and limitations of 7-33-2105(3), to secure financing
 27 necessary to procure equipment and buildings to house the equipment.

28 (3) In addition to the levy authorized in subsection (1), a district may borrow money by the issuance of
 29 bonds to provide funds for the payment of all or part of the cost of buying or maintaining fire protection facilities
 30 and apparatus, including emergency response apparatus, for the district.

1 (4) The amount of debt incurred pursuant to subsection (2) and the amount of bonds issued pursuant
2 to subsection (3) and outstanding at any time may not exceed 18% of the taxable value of the property in the
3 district as ascertained by the most recent assessment for state and county taxes prior to the incurrence of debt
4 or the issuance of the bonds.

5 (5) The bonds must be authorized, sold, and issued and provisions must be made for their payment in
6 the manner and subject to the conditions and limitations prescribed for the issuance of bonds by counties under
7 Title 7, chapter 7, part 22."

8
9 **Section 128.** Section 7-33-2209, MCA, is amended to read:

10 **"7-33-2209. Finance of fire control activities.** (1) The county governing body ~~is authorized to~~ may
11 appropriate funds for the purchase, care, and maintenance of firefighting equipment or for the payment of wages
12 in prevention, detection, and suppression of fires.

13 (2) ~~If~~ Subject to [section 1], if the general fund is budgeted to the full limit, the county governing body
14 may, at any time fixed by law for levy and assessment of taxes, levy a tax of up to 2 mills or at a rate that will raise
15 \$15,000, whichever is higher."

16
17 **Section 129.** Section 7-33-4111, MCA, is amended to read:

18 **"7-33-4111. Tax levy for volunteer fire departments.** For the purpose of supporting volunteer fire
19 departments in any city or town ~~which~~ that does not have a paid fire department and for the purpose of
20 purchasing the necessary equipment for them, the council in any city or town may, subject to [section 1], levy,
21 in addition to other levies permitted by law, a special tax not exceeding 4 mills upon all of the property of the city
22 or town subject to taxation."

23
24 **Section 130.** Section 7-33-4130, MCA, is amended to read:

25 **"7-33-4130. Group insurance for firefighters -- funding.** (1) Cities of the first and second class, if they
26 provide insurance for other city employees under Title 2, chapter 18, part 7, shall:

27 (a) provide the same insurance to their respective firefighters;

28 (b) pay no less than the premium rate in effect as of July 1, 1980, for insurance coverage for firefighters
29 and their dependents notwithstanding the provisions of Title 2, chapter 18, part 7;

30 (c) provide for collective bargaining or other agreement processes to negotiate additional premium

1 payments beyond the amount guaranteed by subsection (1)(b).

2 (2) ~~Those Subject to [section 1], those~~ incorporated cities and towns ~~which that~~ require additional funds
3 to finance the provisions of this section may levy on property, by the amount required to meet these provisions,
4 a tax not to exceed 2 mills on the dollar upon all property in the respective city or town. This levy ~~shall~~ must be
5 collected in the same manner and at the same time as other taxes are levied."

6

7 **Section 131.** Section 7-34-102, MCA, is amended to read:

8 **"7-34-102. Special mill levy permitted.** (1) ~~In~~ Subject to [section 1] and in addition to all other levies
9 authorized by law, each county, city, or town may levy an annual tax up to 1 mill on the dollar of the taxable value
10 of all taxable property within the county, city, or town to defray the costs incurred in providing ambulance service.

11 (2) In addition to the levy authorized by subsection (1), a county, city, or town may levy an additional 2
12 mills for the support of ambulance services if, at a regularly scheduled election, the electorate of the county, city,
13 or town approves the imposition of the additional levy."

14

15 **Section 132.** Section 7-34-2122, MCA, is amended to read:

16 **"7-34-2122. Powers of district.** A hospital district ~~shall have~~ has all powers necessary and convenient
17 to the acquisition, betterment, operation, maintenance, and administration of ~~such~~ hospital facilities ~~as that~~ its
18 board of trustees ~~shall deem~~ considers necessary and expedient. ~~Without limitation on the foregoing~~ In addition
19 to the general grant of powers, a hospital district, acting by its board of trustees, may:

20 (1) employ nursing, administrative, and other personnel, legal counsel, engineers, architects,
21 accountants, and other qualified persons, who may be paid for their services by monthly salaries, hourly wages,
22 and pension benefits or by ~~such fees as~~ that may be agreed upon;

23 (2) cause reports, plans, studies, and recommendations to be prepared;

24 (3) lease, purchase, and contract for the purchase of real and personal property by option, contract for
25 deed, or otherwise and acquire real or personal property by gift;

26 (4) lease or construct, equip, ~~and furnish, and maintain~~ necessary buildings and grounds ~~and maintain~~
27 ~~the same~~;

28 (5) adopt, by resolution, rules for the operation and administration of ~~any and all~~ hospital facilities under
29 its control and for the admission of persons ~~thereto~~ to the facilities;

30 (6) impose by resolution and collect charges for all services and facilities provided and made available

1 by it;

2 (7) subject to [section 1], levy taxes as ~~hereinafter~~ prescribed in this part;

3 (8) borrow money by the issuance of its bonds as ~~hereinafter~~ prescribed in this part;

4 (9) borrow money by the issuance of notes;

5 (10) procure insurance against liability of the district or its officers and employees, or both, for torts
6 committed within the scope of their official duties, whether governmental or proprietary, and against damage to
7 or destruction of any of its facilities, equipment, or other property;

8 (11) sell or lease any of its facilities or equipment as may be ~~deemed~~ considered expedient;

9 (12) cause audits to be made of its accounts, books, vouchers, and funds by competent public
10 accountants; and

11 (13) provide educational benefits to qualified individuals, including the payment of tuition, room and board,
12 educational materials, and stipends and the repayment of student loans in return for an agreement by those
13 persons to provide services to the district."

14

15 **Section 133.** Section 7-34-2133, MCA, is amended to read:

16 **"7-34-2133. Levy of district taxes -- limit on mill levy.** (1) ~~The~~ Subject to [section 1], the board of
17 county commissioners ~~must~~ shall, annually at the time of levying county taxes, fix and levy a tax (~~in mills~~) upon
18 all property within ~~said~~ the hospital district clearly sufficient to raise the amount certified by the board of hospital
19 trustees under 7-34-2132.

20 (2) The tax ~~so~~ levied for all hospital district purposes other than payment of bonded indebtedness ~~shall~~
21 may not in any year exceed 3 mills on each dollar of taxable valuation of property within ~~said~~ the district."

22

23 **Section 134.** Section 7-34-2417, MCA, is amended to read:

24 **"7-34-2417. Special tax levy authorized.** In the event the bonds are not paid or are not expected to be
25 paid from ordinary revenue of the facility, a county that has issued bonds under 7-34-2411 for a health care facility
26 may, subject to [section 1], levy taxes on all taxable property within the county in the manner provided for public
27 hospital districts under 7-34-2133, 7-34-2134, 7-34-2135(1), and 7-34-2136, up to a maximum of 3 mills not
28 submitted to a vote of the people and 3 additional mills approved by a vote of the people."

29

30 **Section 135.** Section 7-35-2122, MCA, is amended to read:

1 **"7-35-2122. County tax levy.** ~~The~~ Subject to [section 1], the board of county commissioners ~~must~~ shall,
 2 annually at the time of levying county taxes, fix and levy upon all property within the cemetery district an amount
 3 sufficient to raise the amount certified by the board of cemetery trustees to be raised by a tax on the property of
 4 the district. The tax may not exceed 4 mills on each dollar of taxable valuation on the property of the district."

5
 6 **Section 136.** Section 10-3-405, MCA, is amended to read:

7 **"10-3-405. Levying emergency tax -- disposition of surplus.** (1) The governing body of the city or
 8 town or the governing body of the county, or both, shall estimate expenditures and, subject to [section 1], levy
 9 an emergency millage to cover the expenditures. The millage levied by the governing body of the city or town
 10 ~~shall~~ may not exceed 2 mills on the municipality's taxable valuation. The millage levied by the governing body of
 11 the county ~~shall~~ may not exceed 2 mills on the taxable valuation of the county outside the municipalities.

12 (2) ~~No~~ An expenditure of revenue received from the millage ~~shall~~ may not be made without approval of
 13 the appropriate levying body.

14 (3) ~~An~~ Subject to [section 1], an additional levy or levies may be made by the appropriate levying body,
 15 providing that the sum of the levies for emergencies as set forth in this section ~~shall~~ may not exceed 2 mills in
 16 any ~~one~~ 1 year.

17 (4) All levies under this section may be passed only by a ~~unanimous~~ majority vote of the appropriate
 18 body.

19 (5) Funds levied for an emergency and remaining when ~~no~~ further expenditures are not necessary ~~shall~~
 20 must remain in a separate emergency fund and ~~shall~~ must be used only for expenditures arising from future
 21 emergencies."

22
 23 **Section 137.** Section 13-13-230, MCA, is amended to read:

24 **"13-13-230. Authorization to increase county mill levy.** ~~Each~~ Subject to [section 1], a county may levy
 25 an amount not exceeding 1 mill as may be necessary to finance the additional cost of administering a special
 26 absentee election board program pursuant to 13-13-225 through 13-13-229. ~~Such~~ The mill levy may not be
 27 included as part of any existing mill levy or special mill levy assessed by the county. The amount of any mill levy
 28 adopted under this section must be reasonably related to the actual cost of providing services as required by
 29 13-13-225 through 13-13-229."

1 **Section 138.** Section 15-1-402, MCA, is amended to read:

2 **"15-1-402. Payment of taxes under protest.** (1) The person upon whom a property tax or fee is being
3 imposed under this title may, before the property tax or fee becomes delinquent, pay under written protest that
4 portion of the property tax or fee protested. The protested payment must:

5 (a) be made to the officer designated and authorized to collect it;

6 (b) specify the grounds of protest; and

7 (c) not exceed the difference between the payment for the immediately preceding tax year and the
8 amount owing in the tax year protested unless a different amount results from the specified grounds of protest,
9 which may include but are not limited to changes in assessment due to reappraisal under 15-7-111.

10 (2) A person appealing a property tax or fee pursuant to chapter 2 or 15 shall pay the tax or fee under
11 protest when due in order to receive a refund. If the tax or fee is not paid under protest when due, the appeal may
12 continue but a tax or fee may not be refunded as a result of the appeal.

13 (3) If a protested property tax or fee is payable in installments, a subsequent installment portion
14 considered unlawful by the state tax appeal board need not be paid and an action or suit need not be commenced
15 to recover the subsequent installment. The determination of the action or suit commenced to recover the first
16 installment portion paid under protest determines the right of the party paying the subsequent installment to have
17 it or any part of it refunded to the party or the right of the taxing authority to collect a subsequent installment not
18 paid by the taxpayer plus interest from the date the subsequent installment was due.

19 (4) All property taxes and fees paid under protest to a county or municipality must be deposited by the
20 treasurer of the county or municipality to the credit of a special fund to be designated as a protest fund and must
21 be retained in the protest fund until the final determination of any action or suit to recover the taxes and fees
22 unless they are released at the request of the county, municipality, or other local taxing jurisdiction pursuant to
23 subsection (5). This section does not prohibit the investment of the money of this fund in the state unified
24 investment program or in any manner provided in Title 7, chapter 6. The provision creating the special protest
25 fund does not apply to any payments made under protest directly to the state.

26 (5) The governing board of a taxing jurisdiction affected by the payment of taxes under protest in the
27 second and subsequent years that a tax protest remains unresolved may demand that the treasurer of the county
28 or municipality pay the requesting taxing jurisdiction all or a portion of the protest payments to which it is entitled,
29 except the amount paid by the taxpayer in the first year of the protest. The decision in a previous year of a taxing
30 jurisdiction to leave protested taxes in the protest fund does not preclude it from demanding in a subsequent year

1 any or all of the payments to which it is entitled, except the first-year protest amount.

2 (6) (a) If action before the county tax appeal board, state tax appeal board, or district court is not
3 commenced within the time specified or if the action is commenced and finally determined in favor of the
4 department of revenue, county, municipality, or treasurer of the county or the municipality, the amount of the
5 protested portions of the property tax or fee must be taken from the protest fund and deposited to the credit of
6 the fund or funds to which the property tax belongs, less a pro rata deduction for the costs of administration of
7 the protest fund and related expenses charged the local government units.

8 (b) If the action is finally determined adversely to the department of revenue, a county, a municipality,
9 or the treasurer of a county or a municipality, then the treasurer shall, upon receiving a certified copy of the final
10 judgment in the action from the state tax appeal board or from the district or supreme court, as appropriate, if the
11 final action of the state tax appeal board is appealed in the time prescribed, refund to the person in whose favor
12 the judgment is rendered the amount of the protested portions of the property tax or fee deposited in the protest
13 fund, and not released pursuant to subsection (5), as the person holding the judgment is entitled to recover,
14 together with interest from the date of payment under protest, at the greater of:

15 (i) the rate of interest generated from the pooled investment fund provided for in 17-6-203 for the
16 applicable period; or

17 (ii) 6% a year.

18 (c) If the amount retained in the protest fund is insufficient to pay all sums due the taxpayer, the treasurer
19 shall apply the available amount first to tax repayment, then interest owed, and lastly to costs.

20 (d) If the protest action is decided adversely to a taxing jurisdiction and the amount retained in the protest
21 fund is insufficient to refund the tax payments and costs to which the taxpayer is entitled and for which local
22 government units are responsible, the treasurer shall bill and the taxing jurisdiction shall refund to the treasurer
23 that portion of the taxpayer refund, including tax payments and costs, for which the taxing jurisdiction is proratably
24 responsible.

25 (e) In satisfying the requirements of subsection (6)(d), the taxing jurisdiction is allowed not more than
26 1 year from the beginning of the fiscal year following a final resolution of the protest. The taxpayer is entitled to
27 interest on the unpaid balance at the greater of the rates referred to in subsections (6)(b)(i) and (6)(b)(ii) from the
28 date of payment under protest until the date of final resolution of the protest and at the combined rate of the
29 federal reserve discount rate quoted from the federal reserve bank in New York, New York, on the date of final
30 resolution, plus four percentage points, from the date of final resolution of the protest until refund is made.

1 (7) A taxing jurisdiction may satisfy the requirements of this section by use of funds from one or more
2 of the following sources:

3 (a) subject to [section 1], imposition of a property tax to be collected by a special tax protest refund levy;

4 (b) the general fund, except that amount generated by the all-purpose mill levy, or any other funds legally
5 available to the governing body; and

6 (c) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of deriving
7 revenue for the repayment of tax protests lost by the taxing jurisdiction. The governing body of a county, city, or
8 school district is authorized to issue the bonds pursuant to procedures established by law. The bonds may be
9 issued without being submitted to an election. ~~Property~~ Subject to [section 1], property taxes may be levied to
10 amortize the bonds."
11

12 **SECTION 139. SECTION 15-2-302, MCA, IS AMENDED TO READ:**

13 **"15-2-302. Direct appeal from department decision to state tax appeal board -- hearing.** (1) A
14 person may appeal to the state tax appeal board a final decision of the department of revenue involving:

15 (a) property centrally assessed under chapter 23;

16 (b) classification of property as new industrial property;

17 (c) any other tax, other than the property tax, imposed under this title; or

18 (d) any other matter in which the appeal is provided by law.

19 (2) (a) Except as provided in subsection (2)(b), the appeal is made by filing a complaint with the board
20 within 30 days following receipt of notice of the department's final decision. The complaint must set forth the
21 grounds for relief and the nature of relief demanded. The board shall immediately transmit a copy of the complaint
22 to the department.

23 (b) An appeal from the department's determination of whether wages earned by an unemployment
24 insurance benefit claimant were properly reported to the department is initiated by filing a complaint with the
25 board within 10 days following receipt of notice of the department's final determination. The board shall promptly
26 mail a copy of the complaint to each interested party at the last-known address of each party.

27 (3) The department shall file with the board an answer within 30 days following filing of a complaint, or
28 in cases involving a determination of whether wages earned by an unemployment insurance benefit claimant
29 were properly reported to the department, any interested party, as defined in 15-30-257(1)(e), and the department
30 may file an answer with the board within 10 days after receipt of a copy of the complaint filed with the board; and

1 at that time mail a copy to the complainant. The answer must set forth the department's response to each ground
2 for and type of relief demanded in the complaint.

3 (4) (a) Except as provided in subsection (4)(b), the board shall conduct the appeal in accordance with
4 the contested case provisions of the Montana Administrative Procedure Act.

5 (b) (i) In an appeal regarding the determination of whether wages earned by an unemployment insurance
6 claimant were properly reported to the department, the appeal must be conducted informally and may, in the
7 discretion of the board, be conducted by telephone or other electronic means. The appeal is not a contested case
8 under provisions of the Montana Administrative Procedure Act. The board, in conducting the hearing or making
9 its decision, is not bound by the Montana Rules of Evidence.

10 (ii) The board shall make its final decision within 45 days of the date the appeal is received by the board.

11 (5) The decision of the state tax appeal board is final and binding upon all interested parties unless
12 reversed or modified by judicial review. Proceedings for judicial review of a decision of the state tax appeal board
13 under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to the
14 extent that it does not conflict with 15-2-303.

15 (6) Sections 15-6-134 and 15-7-111 may not be construed to prevent the department from implementing
16 an order to change the valuation of property."

17

18 **SECTION 140. SECTION 15-6-134, MCA, IS AMENDED TO READ:**

19 **"15-6-134. Class four property -- description -- taxable percentage.** (1) Class four property includes:

20 (a) subject to 15-6-201(1)(z) and (1)(aa) and subsections (1)(f) and (1)(g) of this section, all land, except
21 that specifically included in another class;

22 (b) subject to 15-6-201(1)(z) and (1)(aa) and subsections (1)(f) and (1)(g) of this section, all
23 improvements, including trailers, manufactured homes, or mobile homes used as a residence, except those
24 specifically included in another class;

25 (c) the first \$100,000 or less of the taxable market value of any improvement on real property, including
26 trailers, manufactured homes, or mobile homes, and appurtenant land not exceeding 5 acres owned or under
27 contract for deed and actually occupied for at least 7 months a year as the primary residential dwelling of any
28 person whose total income from all sources, including net business income and otherwise tax-exempt income
29 of all types but not including social security income paid directly to a nursing home, is not more than \$15,000 for
30 a single person or \$20,000 for a married couple or a head of household, as adjusted according to subsection

1 (2)(b)(ii). For the purposes of this subsection (1)(c), net business income is gross income less ordinary operating
 2 expenses but before deducting depreciation or depletion allowance, or both.

3 (d) all golf courses, including land and improvements actually and necessarily used for that purpose, that
 4 consist of at least nine holes and not less than 3,000 lineal yards; ~~and~~

5 (e) all improvements on land that is eligible for valuation, assessment, and taxation as agricultural land
 6 under 15-7-202, including 1 acre of real property beneath improvements on land described in 15-6-133(1)(c). The
 7 1 acre must be valued at market value.

8 (f) (i) single-family residences, including trailers, manufactured homes, or mobile homes;

9 (ii) rental multifamily dwelling units; and

10 (iii) appurtenant improvements to the residences or dwelling units, including the parcels of land upon
 11 which the residences and dwelling units are located and any leasehold improvements; and

12 (g) commercial buildings and the parcels of land upon which they are situated.

13 (2) Class four property is taxed as follows:

14 (a) (i) Except as provided in 15-24-1402 or 15-24-1501 and subsection (2)(a)(ii) of this section, property
 15 described in subsections (1)(a), (1)(b), ~~and (1)(e), (1)(f), and (1)(g)~~ of this section is taxed at ~~3.86%~~ 3.794% of its
 16 taxable market value in tax year 1999.

17 (ii) The taxable percentage rate in subsection (2)(a)(i) must be adjusted downward by subtracting ~~0.022~~
 18 0.0835% percentage points each year until the tax rate is equal to or less than ~~2.78%~~ 3.46%.

19 (b) (i) Property qualifying under the property tax assistance program in subsection (1)(c) is taxed at the
 20 rate provided in subsection (2)(a)(ii) of its market value multiplied by a percentage figure based on income and
 21 determined from the following table:

22	Income	Income	Percentage
23	Single Person	Married Couple	Multiplier
24		Head of Household	
25	\$0 - \$ 6,000	\$0 - \$ 8,000	20%
26	6,001 - 9,200	8,001 - 14,000	50%
27	9,201 - 15,000	14,001 - 20,000	70%

28 (ii) The income levels contained in the table in subsection (2)(b)(i) must be adjusted for inflation annually
 29 by the department of revenue. The adjustment to the income levels is determined by:

30 (A) multiplying the appropriate dollar amount from the table in subsection (2)(b)(i) by the ratio of the PCE

1 for the second quarter of the year prior to the year of application to the PCE for the second quarter of 1995; and

2 (B) rounding the product thus obtained to the nearest whole dollar amount.

3 (iii) "PCE" means the implicit price deflator for personal consumption expenditures as published quarterly
4 in the Survey of Current Business by the bureau of economic analysis of the U.S. department of commerce.

5 (c) Property described in subsection (1)(d) is taxed at one-half the taxable percentage rate established
6 in subsection (2)(a)(i).

7 (3) Within the meaning of comparable property, as defined in 15-1-101, property assessed as
8 commercial property is comparable only to other property assessed as commercial property and property
9 assessed as other than commercial property is comparable only to other property assessed as other than
10 commercial property."
11

12 **SECTION 141. SECTION 15-6-143, MCA, IS AMENDED TO READ:**

13 **"15-6-143. Class ten property -- description -- taxable percentage.** (1) Class ten property includes
14 all forest lands as defined in 15-44-102.

15 (2) Class ten property is taxed at 0.79% of its forest productivity value in tax year 1999, and the rate is
16 reduced by 0.11% each year until the property is taxed at 0.35% of its forest productivity value."
17

18 **SECTION 142. SECTION 15-6-201, MCA, IS AMENDED TO READ:**

19 **"15-6-201. Exempt categories.** (1) The following categories of property are exempt from taxation:

20 (a) except as provided in 15-24-1203, the property of:

21 (i) the United States, except:

22 (A) if congress passes legislation that allows the state to tax property owned by the federal government
23 or an agency created by congress; or

24 (B) as provided in 15-24-1103;

25 (ii) the state, counties, cities, towns, and school districts;

26 (iii) irrigation districts organized under the laws of Montana and not operating for profit;

27 (iv) municipal corporations;

28 (v) public libraries; and

29 (vi) rural fire districts and other entities providing fire protection under Title 7, chapter 33;

30 (b) buildings, with land that they occupy and furnishings in the buildings, that are owned by a church and

1 used for actual religious worship or for residences of the clergy, together with adjacent land reasonably necessary
2 for convenient use of the buildings;

3 (c) property used exclusively for agricultural and horticultural societies, for educational purposes, and
4 for nonprofit health care facilities, as defined in 50-5-101, licensed by the department of public health and human
5 services and organized under Title 35, chapter 2 or 3. A health care facility that is not licensed by the department
6 of public health and human services and organized under Title 35, chapter 2 or 3, is not exempt.

7 (d) property that is:

8 (i) owned and held by an association or corporation organized under Title 35, chapter 2, 3, 20, or 21;

9 (ii) devoted exclusively to use in connection with a cemetery or cemeteries for which a permanent care
10 and improvement fund has been established as provided for in Title 35, chapter 20, part 3; and

11 (iii) not maintained and operated for private or corporate profit;

12 (e) property that is owned or property that is leased from a federal, state, or local governmental entity
13 by institutions of purely public charity if the property is directly used for purely public charitable purposes;

14 (f) evidence of debt secured by mortgages of record upon real or personal property in the state of
15 Montana;

16 (g) public museums, art galleries, zoos, and observatories that are not used or held for private or
17 corporate profit;

18 (h) all household goods and furniture, including but not limited to clocks, musical instruments, sewing
19 machines, and wearing apparel of members of the family, used by the owner for personal and domestic purposes
20 or for furnishing or equipping the family residence;

21 (i) truck canopy covers or toppers and campers;

22 (j) a bicycle, as defined in 61-1-123, used by the owner for personal transportation purposes;

23 (k) motor homes;

24 (l) all watercraft;

25 (m) motor vehicles, land, fixtures, buildings, and improvements owned by a cooperative association or
26 nonprofit corporation organized to furnish potable water to its members or customers for uses other than the
27 irrigation of agricultural land;

28 (n) the right of entry that is a property right reserved in land or received by mesne conveyance (exclusive
29 of leasehold interests), devise, or succession to enter land with a surface title that is held by another to explore,
30 prospect, or dig for oil, gas, coal, or minerals;

1 (o) (i) property that is owned and used by a corporation or association organized and operated
2 exclusively for the care of persons with developmental disabilities, persons with mental illness, or persons with
3 physical or mental impairments that constitute or result in substantial impediments to employment and that is not
4 operated for gain or profit; and

5 (ii) property that is owned and used by an organization owning and operating facilities that are for the care
6 of the retired, aged, or chronically ill and that are not operated for gain or profit;

7 (p) all farm buildings with a market value of less than \$500 and all agricultural implements and machinery
8 with a market value of less than \$100;

9 (q) property owned by a nonprofit corporation that is organized to provide facilities primarily for training
10 and practice for or competition in international sports and athletic events and that is not held or used for private
11 or corporate gain or profit. For purposes of this subsection (1)(q), "nonprofit corporation" means an organization
12 that is exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted
13 under the Montana Nonprofit Corporation Act.

14 (r) the first \$15,000 or less of market value of tools owned by the taxpayer that are customarily hand-held
15 and that are used to:

16 (i) construct, repair, and maintain improvements to real property; or

17 (ii) repair and maintain machinery, equipment, appliances, or other personal property;

18 (s) harness, saddlery, and other tack equipment;

19 (t) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in
20 33-25-105;

21 (u) timber as defined in 15-44-102;

22 (v) all trailers as defined in 61-1-111, semitrailers as defined in 61-1-112, pole trailers as defined in
23 61-1-114, and travel trailers as defined in 61-1-131;

24 (w) all vehicles registered under 61-3-456;

25 (x) (i) buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors,
26 including buses, trucks, and truck tractors apportioned under Title 61, chapter 3, part 7; and

27 (ii) personal property that is attached to a bus, truck, or truck tractor that is exempt under subsection
28 (1)(x)(i); ~~and~~

29 (y) motorcycles and quadricycles;

30 (z) the following percentage of the market value of residential property as described in 15-6-134(1)(f):

- 1 (i) 16% for tax year 1999;
2 (ii) 21% for tax year 2000;
3 (iii) 26% for tax year 2001; and
4 (iv) 30% for tax year 2002 and succeeding tax years; and
5 (aa) the following percentage of the market value of commercial property as described in 15-6-134(1)(g);
6 (i) 6.5% for tax year 1999;
7 (ii) 9% for tax year 2000;
8 (iii) 11% for tax year 2001; and
9 (iv) 13% for tax year 2002 and succeeding tax years.

10 (2) (a) For the purposes of subsection (1)(e), the term "institutions of purely public charity" includes any
11 organization that meets the following requirements:

12 (i) The organization qualifies as a tax-exempt organization under the provisions of section 501(c)(3),
13 Internal Revenue Code, as amended.

14 (ii) The organization accomplishes its activities through absolute gratuity or grants. However, the
15 organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public
16 performances or entertainment or by other similar types of fundraising activities.

17 (b) For the purposes of subsection (1)(g), the term "public museums, art galleries, zoos, and
18 observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold property
19 for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real
20 and personal property reasonably necessary for use in connection with the public display or observatory use.
21 Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or
22 for-profit organization, real and personal property owned by other persons is exempt if it is:

23 (i) actually used by the governmental entity or nonprofit organization as a part of its public display;

24 (ii) held for future display; or

25 (iii) used to house or store a public display.

26 (3) The following portions of the appraised value of a capital investment in a recognized nonfossil form
27 of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt
28 from taxation for a period of 10 years following installation of the property:

29 (a) \$20,000 in the case of a single-family residential dwelling;

30 (b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

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SECTION 143. SECTION 15-7-103, MCA, IS AMENDED TO READ:

"15-7-103. Classification and appraisal -- general and uniform methods. (1) It is the duty of the department of revenue to implement the provisions of 15-7-101 through 15-7-103 by providing:

(a) for a general and uniform method of classifying lands in the state for the purpose of securing an equitable and uniform basis of assessment of ~~said~~ lands for taxation purposes;

(b) for a general and uniform method of appraising city and town lots;

(c) for a general and uniform method of appraising rural and urban improvements;

(d) for a general and uniform method of appraising timberlands.

(2) All lands ~~shall~~ must be classified according to their use or uses and graded within each class according to soil and productive capacity. In ~~such~~ the classification work, use ~~shall~~ must be made of soil surveys and maps and all other pertinent available information.

(3) All lands must be classified by parcels or subdivisions not exceeding 1 section each, by the sections, fractional sections, or lots of all tracts of land that have been sectionized by the United States government, or by metes and bounds, whichever yields a true description of the land.

(4) All agricultural lands must be classified and appraised as agricultural lands without regard to the best and highest value use of adjacent or neighboring lands.

(5) In any periodic revaluation of taxable property completed under the provisions of 15-7-111 ~~after January 1, 1986~~, all property classified in 15-6-134 must be appraised on the taxable portion of its market value in the same year. The department shall publish a rule specifying the year used in the appraisal.

(6) All sewage disposal systems and domestic use water supply systems of all dwellings may not be appraised, assessed, and taxed separately from the land, house, or other improvements in which they are located. In no event may the sewage disposal or domestic water supply systems be included twice by including them in the valuation and assessing them separately."

SECTION 144. SECTION 15-7-111, MCA, IS AMENDED TO READ:

"15-7-111. Periodic revaluation of certain taxable property. (1) The department of revenue shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. All other property must be revalued annually. The revaluation of class three, four, and ten property is complete on December 31, 1996. The amount of the change in valuation from the 1996 base year for each property in

1 classes three, four, and ten must be phased in each year at the rate of ~~2%~~ 25% of the ~~total~~ change in valuation
 2 from December 31, 1998, to the appropriate percentage of taxable market value for each class.

3 (2) The department shall value and phase in the value of newly constructed, remodeled, or reclassified
 4 property in a manner consistent with the valuation within the same class and the values established pursuant to
 5 subsection (1). The department shall adopt rules for determining the assessed valuation and phased-in value of
 6 new, remodeled, or reclassified property within the same class.

7 (3) Beginning January 1, ~~2007~~ 2001, the department of revenue shall administer and supervise a
 8 program for the revaluation of all taxable property within classes three, four, and ten. A comprehensive written
 9 reappraisal plan must be promulgated by the department. The reappraisal plan adopted must provide that all
 10 class three, four, and ten property in each county is revalued by January 1, ~~2010~~ 2003, and each succeeding ~~3~~
 11 6 years. The resulting valuation changes must be phased in for each year until the next reappraisal. If a
 12 percentage of change for each year is not established, then the percentage of phasein for each year is 16.66%.
 13 The department shall furnish a copy of the plan and all amendments to the plan to the board of county
 14 commissioners of each county."

15

16 **Section 145.** Section 15-7-403, MCA, is amended to read:

17 **"15-7-403. Rollback tax -- computation.** (1) (a) ~~Subject to [section 1], if~~ land and improvements
 18 appraised as residential as a result of an application filed under 15-7-402 are changed to industrial or commercial
 19 use, the property is subject to a rollback tax in addition to the property tax levied on the property. The rollback
 20 tax is a lien on the property and is due and payable by the owner of the property at the time of the change in use.

21 (b) As used in this section, "rollback" means the period preceding the change in use, not to exceed 5
 22 years, during which the property was appraised as residential.

23 (2) The department shall determine the amount of rollback tax due on the property by:

24 (a) determining the taxable value of the property as industrial or commercial property;

25 (b) multiplying this value by the sum of the annual mill levies applied in the taxing jurisdiction in which
 26 the land is located during the rollback period; and

27 (c) subtracting from this figure the actual property tax paid on the property during this period."

28

29 **SECTION 146.** SECTION 15-8-111, MCA, IS AMENDED TO READ:

30 **"15-8-111. Assessment -- market value standard -- exceptions.** (1) All taxable property must be

1 assessed at 100% of its market value except as otherwise provided.

2 (2) (a) Market value is the value at which property would change hands between a willing buyer and a
3 willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of
4 relevant facts.

5 (b) If the department uses construction cost as one approximation of market value, the department shall
6 fully consider reduction in value caused by depreciation, whether through physical depreciation, functional
7 obsolescence, or economic obsolescence.

8 (c) Except as provided in subsection (3), the market value of special mobile equipment and agricultural
9 tools, implements, and machinery is the average wholesale value shown in national appraisal guides and
10 manuals or the value before reconditioning and profit margin. The department shall prepare valuation schedules
11 showing the average wholesale value when a national appraisal guide does not exist.

12 (3) The department may not adopt a lower or different standard of value from market value in making
13 the official assessment and appraisal of the value of property, except:

14 (a) the wholesale value for agricultural implements and machinery is the average wholesale value
15 category as shown in Guides 2000, Northwest Region Official Guide, published by the North American equipment
16 dealers association, St. Louis, Missouri. If the guide or the average wholesale value category is unavailable, the
17 department shall use a comparable publication or wholesale value category.

18 (b) for agricultural implements and machinery not listed in an official guide, the department shall prepare
19 a supplemental manual in which the values reflect the same depreciation as those found in the official guide; and

20 (c) as otherwise authorized in Titles 15 and 61.

21 (4) For purposes of taxation, assessed value is the same as appraised value.

22 (5) The taxable value for all property is the percentage of market or assessed value established for each
23 class of property.

24 (6) The assessed value of properties in 15-6-131 through ~~15-6-133~~ 15-6-134 and 15-6-143 is as follows:

25 (a) Properties in 15-6-131, under class one, are assessed at 100% of the annual net proceeds after
26 deducting the expenses specified and allowed by 15-23-503 or, if applicable, as provided in 15-23-515,
27 15-23-516, 15-23-517, or 15-23-518.

28 (b) Properties in 15-6-132, under class two, are assessed at 100% of the annual gross proceeds.

29 (c) Properties in 15-6-133, under class three, are assessed at 100% of the productive capacity of the
30 lands when valued for agricultural purposes. All lands that meet the qualifications of 15-7-202 are valued as

1 agricultural lands for tax purposes.

2 (d) Properties in 15-6-134, under class four, are assessed at 100% of market value minus any portion
 3 of market value that is exempt from taxation under 15-6-201(1)(z) and (1)(aa).

4 ~~(d)~~(e) Properties in 15-6-143, under class ten, are assessed at 100% of the forest productivity value of
 5 the land when valued as forest land.

6 (7) Land and the improvements on the land are separately assessed when any of the following
 7 conditions occur:

8 (a) ownership of the improvements is different from ownership of the land;

9 (b) the taxpayer makes a written request; or

10 (c) the land is outside an incorporated city or town."
 11

12 **Section 147.** Section 15-10-204, MCA, is amended to read:

13 **"15-10-204. Resolution or ordinance for increase over certified millage.** ~~No millage~~ Millage in excess
 14 of the department of revenue's certified millage may not be levied until a resolution or ordinance is approved by
 15 the governing board of the taxing authority, ~~which.~~ The resolution or ordinance must be approved by the taxing
 16 authority according to the following procedure:

17 (1) The taxing authority shall publish notice of its intent to exceed the department's certified millage in
 18 the same manner that it gives notice of hearings on its preliminary or proposed budget for the forthcoming fiscal
 19 year. The notice must state that the taxing authority will meet on a day, at a time and place fixed in the notice,
 20 which must be approximately 7 days after the day that the notice is published, for the purpose of hearing
 21 comments regarding the proposed increase and to explain the reasons for the proposed increase. The meeting
 22 may coincide with the meeting on the tentative budget as required by law.

23 (2) After the public hearing has been held in accordance with the ~~above~~ procedures provided in
 24 subsection (1), the taxing authority may, subject to [section 1], adopt a resolution or ordinance levying a millage
 25 rate in excess of the certified millage. If the resolution or ordinance adopting ~~such~~ the millage rate is not approved
 26 on the day of the public hearing, the day, time, and place at which the resolution or ordinance will be scheduled
 27 for consideration and approval by the taxing authority must be announced at the public hearing. If the resolution
 28 or ordinance is to be considered at a day and time that is more than 2 weeks from the public hearing, the taxing
 29 authority ~~must~~ shall again publish notice in the same manner as provided in subsection (1)."
 30

1 **Section 148.** Section 15-10-205, MCA, is amended to read:

2 **"15-10-205. Approval and copies of resolution or ordinance.** The resolution or ordinance approved
3 in the manner provided for in this part must be forwarded to the county treasurer and the department. Millage in
4 excess of the department's certified millage may not be levied until the resolution or ordinance to levy required
5 in 15-10-204 is approved by the governing board of the taxing authority and as provided in [section 1] and is
6 submitted to the department."

7

8 **Section 149.** Section 15-10-401, MCA, is amended to read:

9 **"15-10-401. Declaration of policy.** (1) The state of Montana's reliance on the taxation of property to
10 support education and local government has placed an unreasonable burden on the owners of all classes of
11 property described in Title 15, chapter 6, part 1.

12 (2) Except as provided in ~~15-10-412~~ [section 1], the people of the state of Montana declare that it is the
13 policy of the state of Montana that no further property tax increases be imposed on property. In order to reduce
14 volatility in property taxation and in order to reduce taxpayer uncertainty, it is the policy of the legislature to
15 develop alternatives to market value for purposes of taxation."

16

17 **Section 150.** Section 15-10-402, MCA, is amended to read:

18 **"15-10-402. Property tax limited to 1996 levels.** Except as provided in ~~15-10-412~~ [section 1], the
19 amount of taxes levied on property described in Title 15, chapter 6, part 1, may not, for any taxing jurisdiction,
20 exceed the amount levied for tax year 1996."

21

22 **Section 151.** Section 15-16-117, MCA, is amended to read:

23 **"15-16-117. Personal property -- treasurer's duty to collect certain taxes.** (1) The county treasurer
24 shall demand payment of poor fund taxes, authorized by 53-2-322, and road taxes, authorized by 7-14-2206 or
25 7-14-2501 through 7-14-2504, ~~of every~~ from each person liable for the taxes whose name does not appear on
26 the property tax record. On the neglect or refusal of a person to pay the taxes, the treasurer shall collect the taxes
27 by seizure and sale of any property owned by the person.

28 (2) ~~These~~ Subject to [section 1], these taxes must be added in the property tax record to other property
29 taxes of persons paying taxes upon real and personal property and must be paid to the county treasurer at the
30 time of payment of other taxes.

1 (3) The procedure for the sale of property by the county treasurer for the taxes is regulated by 15-16-119
2 and 15-17-911.

3 (4) The provisions of this section do not apply to property for which delinquent property taxes have been
4 suspended or canceled under the provisions of Title 15, chapter 24, part 17."
5

6 **Section 152.** Section 15-16-203, MCA, is amended to read:

7 **"15-16-203. Assessment of property previously exempt.** (1) ~~Real~~ Subject to [section 1], real property
8 or improvements exempt from taxation under Title 15, chapter 6, that during a tax year become the property of
9 a person subject to taxation must be assessed and taxed from the date of change from a nontaxable status to
10 a taxable status.

11 (2) As provided in subsection (3), the county treasurer shall adjust the tax that would have been due and
12 payable for the current year on the property under 15-16-102 if the property was not exempt.

13 (3) To determine the amount of tax due for previously exempt property, the county treasurer shall multiply
14 the amount of tax levied and assessed on the original taxable value of the property for the year by the ratio that
15 the number of days in the year that the property will be in taxable status bears to 365.

16 (4) If the property has not been assessed and taxed during the taxable year because of exemption, the
17 department shall prepare a special assessment for the property and the county treasurer shall determine the
18 amount of taxes that would have been due under subsection (2).

19 (5) Upon determining the amount of tax due, the county treasurer shall notify the person to whom the
20 tax is assessed, in the same manner as notification is provided under 15-16-101(2), of the amount due and the
21 date or dates on which the taxes due are payable as provided in 15-16-102."
22

23 **Section 153.** Section 15-23-214, MCA, is amended to read:

24 **"15-23-214. Determination of tax -- payment.** (1) ~~On~~ Subject to [section 1] and on or before the third
25 Monday in October, the department of revenue shall compute the tax on railroad car company property by
26 multiplying the taxable value of the property by the average levy.

27 (2) After determining the tax, the department shall send to the last-known address of each railroad car
28 company subject to taxation a written notice, postage prepaid, showing the amount of taxes due for the current
29 year and any delinquent amount for prior years. The notice must include the taxable value of the property and
30 the average levy used to compute the tax.

1 (3) The tax is due and payable to the department under the provisions of 15-16-102. A tax not received
 2 by the department within the time requirements of 15-16-102 is delinquent and subject to penalty and interest
 3 under that section."

4
 5 ~~Section 147.~~ Section 15-24-922, MCA, is amended to read:

6 ~~"15-24-922. Board of livestock to prescribe per capita levy -- refunds -- per capita levy on average~~
 7 ~~inventory.~~ (1) The ~~Subject to [section 1], the~~ board of livestock shall annually prescribe the amount of the per
 8 capita levy to be made against livestock of all classes for the purpose indicated in 15-24-921.

9 ~~(2) The per capita tax levy must be calculated each year to provide not more than 110% of the average~~
 10 ~~annual revenue that was generated in the 3 previous years in order to comply with [section 1].~~ The calculation
 11 must apply a reasonable factor for nonpayment and late payment of taxes and for reimbursement to the counties
 12 pursuant to 15-24-925 for collection of the levy:

13 ~~(3) (a) A livestock owner taxed under 15-24-920 is entitled to a refund of the per capita levy collected~~
 14 ~~under 15-24-921 based on the number of months the livestock have taxable situs in the state. The amount of the~~
 15 ~~refund is equal to the ratio of the number of months that the livestock do not have taxable situs in the state to the~~
 16 ~~number of months in the tax year, multiplied by the original per capita levy due. A taxpayer shall apply to the~~
 17 ~~board of livestock on a form prescribed by the board for a refund allowed under this subsection by January 31~~
 18 ~~following the taxable year. The application must include a statement showing the date when the livestock were~~
 19 ~~moved out of the state.~~

20 ~~(b) Except as provided in subsection (3)(c), for the purposes of 15-24-921 and this section, the per capita~~
 21 ~~levy may not be prorated.~~

22 ~~(c) A taxpayer whose livestock are taxed on the average inventory basis for property tax purposes must~~
 23 ~~also be taxed on an average inventory basis for the purposes of 15-24-921 and this section. All other livestock~~
 24 ~~subject to the per capita tax levy must be reported on February 1 of each year."~~

25
 26 **Section 154.** Section 15-24-1402, MCA, is amended to read:

27 **"15-24-1402. New or expanding industry -- assessment -- notification.** (1) In the first 5 years after
 28 a construction permit is issued, qualifying improvements or modernized processes that represent new industry
 29 or expansion of an existing industry, as designated in the approving resolution, must be taxed at 50% of their
 30 taxable value. Each Subject to [section 1], each year thereafter, the percentage must be increased by equal

1 percentages until the full taxable value is attained in the 10th year. In subsequent years, the property must be
2 taxed at 100% of its taxable value.

3 (2) (a) In order for a taxpayer to receive the tax benefits described in subsection (1), the governing body
4 of the affected county or the incorporated city or town must have approved by separate resolution for each
5 project, following due notice as defined in 76-15-103 and a public hearing, the use of the schedule provided for
6 in subsection (1) for its respective jurisdiction. The governing body may not grant approval for the project until
7 all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude approval.

8 (b) ~~The Subject to [section 1],~~ the governing body may end the tax benefits by majority vote at any time,
9 but the tax benefits may not be denied an industrial facility that previously qualified for the benefits.

10 (c) The resolution provided for in subsection (2)(a) must include a definition of the improvements or
11 modernized processes that qualify for the tax treatment that is to be allowed in the taxing jurisdiction. The
12 resolution may provide that real property other than land, personal property, improvements, or any combination
13 thereof is eligible for the tax benefits described in subsection (1).

14 (3) The taxpayer shall apply to the department for the tax treatment allowed under subsection (1). The
15 application by the taxpayer must first be approved by the governing body of the appropriate local taxing
16 jurisdiction, and the governing body shall indicate in its approval that the property of the applicant qualifies for the
17 tax treatment provided for in this section. Upon receipt of the form with the approval of the governing body of the
18 affected taxing jurisdiction, the department shall make the assessment change pursuant to this section.

19 (4) The tax benefit described in subsection (1) applies only to the number of mills levied and assessed
20 for local high school district and elementary school district purposes and to the number of mills levied and
21 assessed by the governing body approving the benefit over which the governing body has sole discretion. The
22 benefit described in subsection (1) may not apply to levies or assessments required under Title 15, chapter 10,
23 20-9-331, 20-9-333, or 20-9-360 or otherwise required under state law.

24 (5) Prior to approving the resolution under this section, the governing body shall notify by certified mail
25 all taxing jurisdictions affected by the tax benefit."
26

27 **Section 155.** Section 15-24-1501, MCA, is amended to read:

28 **"15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment**
29 **provisions -- levy limitations.** (1) Subject to [section 1] and the authority contained in subsection (4) of this
30 section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable

1 value by at least 2 1/2% as determined by the department, may receive tax benefits during the construction period
 2 and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The
 3 percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable
 4 value caused by remodeling, reconstruction, or expansion:

5	Construction period	0%
6	First year following construction	20%
7	Second year following construction	40%
8	Third year following construction	60%
9	Fourth year following construction	80%
10	Fifth year following construction	100%
11	Following years	100%

12 (2) In order to confer the tax benefits described in subsection (1), the governing body of the affected
 13 county or, if the construction will occur within an incorporated city or town, the governing body of the incorporated
 14 city or town ~~must~~ shall approve by resolution for each remodeling, reconstruction, or expansion project the use
 15 of the schedule provided for in subsection (1) or a schedule adopted pursuant to subsection (4).

16 (3) The tax benefit described in subsection (1) applies only to the number of mills levied and assessed
 17 for high school district and elementary school district purposes and to the number of mills levied and assessed
 18 by the local governing body approving the benefit. The benefit described in subsection (1) may not apply to
 19 statewide levies.

20 (4) A local government may, in the resolution required by subsection (2), modify the percentages
 21 contained in subsection (1) that apply to the first year following construction through the fourth year following
 22 construction. A local government may not modify the percentages contained in subsection (1) that apply to the
 23 fifth year following construction or years following the fifth year. A local government may not modify the time limits
 24 contained in subsection (1). The modifications to the percentages in subsection (1) adopted by a local
 25 government apply uniformly to each remodeling, reconstruction, or expansion project approved by the governing
 26 body."

27

28 **Section 156.** Section 15-24-1603, MCA, is amended to read:

29 **"15-24-1603. Historic property tax abatement -- levy limitations.** (1) ~~Subject to [section 1], a~~ historic
 30 property undergoing rehabilitation, restoration, expansion, or new construction that meets criteria established by

1 the review process described in 15-24-1605 or 15-24-1606 may receive a tax abatement during the construction
2 period, not to exceed 12 months, and for up to 5 years following completion of the construction in accordance
3 with subsections (2) and (3). The tax abatement is limited to 100% of the increase in taxable value caused by the
4 rehabilitation, restoration, expansion, or new construction.

5 (2) In order to confer the tax benefits described in subsection (1), the governing body of the county or
6 incorporated city or town where the improvement occurs shall establish by resolution the process for the use of
7 the tax abatement provisions described in subsection (1).

8 (3) Property that receives a tax benefit under this part is not entitled to any other exemption or special
9 valuation provided by Montana law during the period of the abatement.

10 (4) (a) The tax abatement applies only to the number of mills levied:

11 (i) for high school and elementary school district purposes; and

12 (ii) by the local governing body approving the abatement.

13 (b) The abatement may not apply to statewide levies."
14

15 **Section 157.** Section 15-36-323, MCA, is amended to read:

16 **"15-36-323. Calculation of unit value.** For the purposes of distribution of oil and natural gas production
17 taxes to county and school taxing units for production from pre-1985 wells, the department shall determine the
18 unit value of oil and natural gas for each taxing unit as follows:

19 (1) Subject to the conditions of subsection (3), the unit value for oil for each taxing unit is the quotient
20 obtained by dividing the net proceeds taxes calculated on oil produced and sold in that taxing unit in calendar
21 year 1988 by the number of barrels of oil produced in that taxing unit during 1988, excluding post-1985 wells.

22 (2) Subject to the conditions of subsection (3), the unit value for natural gas is the quotient obtained by
23 dividing the net proceeds taxes calculated on natural gas produced and sold in that taxing unit in calendar year
24 1988 by the number of cubic feet of natural gas produced in that taxing unit during 1988, excluding post-1985
25 wells.

26 (3) The amount of net proceeds taxes calculated under subsections (1) and (2) may not include the
27 amount of taxes that are attributable to a voted levy, ~~as described in 15-10-412(7)~~, for which additional mills were
28 levied in fiscal year 1990."
29

30 **Section 158.** Section 19-3-204, MCA, is amended to read:

1 **"19-3-204. Tax levy to meet employer's obligations.** (1) ff Subject to [section 1], if the required
 2 contributions to the retirement system exceed the funds available to a contracting employer from general revenue
 3 sources, the contracting employer may budget, levy, and collect annually a special tax upon the assessable
 4 property of the contracting employer in the number of cents per \$100 of assessable property as is sufficient to
 5 raise the amount estimated by the legislative body to be required to provide sufficient revenue to meet the
 6 obligation of the contracting employer to the retirement system. The rate of taxation may be in addition to the
 7 annual rate of taxation allowed by law to be levied by the contracting employer.

8 (2) A person who is a member or designated beneficiary of the retirement system because of the
 9 participation of the contracting employer may maintain the appropriate action or proceeding to require the
 10 contracting employer to budget, levy, and collect the special tax authorized in subsection (1)."
 11

12 **Section 159.** Section 19-7-404, MCA, is amended to read:

13 **"19-7-404. Employer contributions.** (1) The employer shall pay monthly 9.535% of each member's
 14 gross compensation into the pension trust fund created by this chapter.

15 (2) If the required contribution to the retirement system exceeds the funds available to a county from
 16 general revenue sources, a county may, subject to [section 1], budget, levy, and collect annually a special tax
 17 on the assessable property within the county that is sufficient to raise the amount of revenue needed to meet the
 18 county's obligation. This tax may be in addition to the annual rate of taxation allowed by law to be levied by the
 19 county."
 20

21 **Section 160.** Section 19-9-209, MCA, is amended to read:

22 **"19-9-209. Taxing authority of employers.** (1) For the purpose of making contributions required of a
 23 city under this chapter, when the demand for deposits of ~~such~~ contributions cannot be met within the general
 24 taxing authority and other revenues available to the city for that purpose, the appropriate authority of the city may,
 25 subject to [section 1], levy any additional tax authorized by law until the general taxing authority and other revenue
 26 available for that purpose is sufficient to meet the demand.

27 (2) "General taxing authority", as used in this section, means ~~that the~~ the levy ~~which that~~ the city may make
 28 under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.

29 (3) No provision of any statute relating to the all-purpose levy may be ~~so~~ construed ~~as~~ to limit the
 30 additional taxing authority created by this section."

1

2

Section 161. Section 19-13-214, MCA, is amended to read:

3

"19-13-214. Taxing authority of employers. (1) For the purpose of making contributions required of a city under this chapter, whenever the demand for deposits of ~~such~~ contributions cannot be met within the general taxing authority and other ~~revenues~~ revenue available to the city for that purpose, the appropriate authority of the city may, subject to [section 1], levy any additional tax authorized by law until the general taxing authority and other revenue available for that purpose is sufficient to meet the demand.

8

(2) "General taxing authority", as used in this section, means ~~that the~~ levy which ~~that~~ the city may make under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.

10

(3) No provision of any statute relating to the all-purpose levy may be ~~so~~ construed ~~as~~ to limit the additional taxing authority created by this section."

12

13

Section 162. Section 19-18-504, MCA, is amended to read:

14

"19-18-504. Amount of special tax levy. ~~Whenever~~ Subject to [section 1], whenever the fund contains an amount ~~which that~~ is less than 4% of the taxable valuation of all taxable property in the city or town, the city council shall levy an annual special tax of not less than 1 mill and not more than 4 mills on each dollar of taxable valuation of all taxable property within the city or town."

18

19

Section 163. Section 19-19-301, MCA, is amended to read:

20

"19-19-301. City's contribution to fund. Each city, other than one of the first or second class, ~~which that~~ has a police retirement fund and ~~which that~~ did not elect to join the statewide police reserve fund provided for in Chapter 335, Laws of 1974, and has not elected to participate in the plan under 19-9-207 shall deposit in its fund monthly an amount equal to 11% of the total salaries for the preceding month paid to active police officers of ~~such the~~ city, exclusive of overtime and payments in lieu of sick leave and annual leave. ~~if~~ Subject to [section 1], if the demand against a city for deposits in its fund ~~is such that~~ it cannot be met within the general taxing authority of the city, an additional levy not to exceed 3 mills may be made until the general taxing authority is sufficient to meet the demand."

28

29

Section 164. Section 20-3-205, MCA, is amended to read:

30

"20-3-205. Powers and duties. The county superintendent has general supervision of the schools of

1 the county within the limitations prescribed by this title and shall perform the following duties or acts:

2 (1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions
3 of 20-3-352, 20-3-353, and 20-3-354;

4 (2) administer and file the oaths of members of the boards of trustees of the districts in the county in
5 accordance with the provisions of 20-3-307;

6 (3) register the teacher or specialist certificates or emergency authorization of employment of any person
7 employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the
8 provisions of 20-4-202;

9 (4) act on each tuition and transportation obligation submitted in accordance with the provisions of
10 20-5-323 and 20-5-324;

11 (5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

12 (6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

13 (7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions
14 of 20-6-103;

15 (8) fulfill all responsibilities assigned under the provisions of this title regulating the organization,
16 alteration, or abandonment of districts;

17 (9) act on any unification proposition and, if approved, establish additional trustee nominating districts
18 in accordance with 20-6-312 and 20-6-313;

19 (10) estimate the average number belonging (ANB) of an opening school in accordance with the
20 provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

21 (11) process and, when required, act on school isolation applications in accordance with the provisions
22 of 20-9-302;

23 (12) complete the budgets, compute the budgeted ~~revenues~~ revenue and tax levies, file final budgets and
24 budget amendments, and fulfill other responsibilities assigned under the provisions of this title regulating school
25 budgeting systems;

26 (13) submit an annual financial report to the superintendent of public instruction in accordance with the
27 provisions of 20-9-211;

28 (14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money,
29 county school money, and any other school money subject to apportionment in accordance with the provisions
30 of 20-9-212, 20-9-335, 20-9-347, 20-10-145, or 20-10-146;

1 (15) act on any request to transfer average number belonging (ANB) in accordance with the provisions
2 of 20-9-313(3);

3 (16) calculate the estimated budgeted general fund sources of revenue in accordance with the general
4 fund revenue provisions of the general fund part of this title;

5 (17) compute the ~~revenues~~ revenue and, subject to [section 1], compute the district and county levy
6 requirements for each fund included in each district's final budget and report the computations to the board of
7 county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other
8 school funds parts of this title;

9 (18) file and forward bus driver certifications, transportation contracts, and state transportation
10 reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

11 (19) for districts that do not employ a district superintendent or principal, recommend library book and
12 textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

13 (20) notify the superintendent of public instruction of a textbook dealer's activities when required under
14 the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

15 (21) act on district requests to allocate federal money for indigent children for school food services in
16 accordance with the provisions of 20-10-205;

17 (22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the
18 policies of the board of public education, the policies of the board of regents relating to community college
19 districts, or the rules of the superintendent of public instruction;

20 (23) administer the oath of office to trustees without the receipt of pay for administering the oath;

21 (24) keep a record of official acts, preserve all reports submitted to the superintendent under the
22 provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable
23 to the administration of the office, and surrender all records, books, supplies, and equipment to the next
24 superintendent;

25 (25) within 90 days after the close of the school fiscal year, publish an annual report in the county
26 newspaper stating the following financial information for the school fiscal year just ended for each district of the
27 county:

28 (a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

29 (b) the total receipts that were realized in each fund maintained by the district;

30 (c) the total expenditures that were made from each fund maintained by the district; and

1 (d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal
2 year; and

3 (26) hold meetings for the members of the trustees from time to time at which matters for the good of the
4 districts must be discussed."

5

6 **Section 165.** Section 20-3-324, MCA, is amended to read:

7 **"20-3-324. Powers and duties.** As prescribed elsewhere in this title, the trustees of each district shall:

8 (1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district
9 superintendent, the county high school principal, or other principal as the board considers necessary, accepting
10 or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the
11 provisions of Title 20, chapter 4;

12 (2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians,
13 maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered
14 necessary to carry out the various services of the district;

15 (3) administer the attendance and tuition provisions and govern the pupils of the district in accordance
16 with the provisions of the pupils chapter of this title;

17 (4) call, conduct, and certify the elections of the district in accordance with the provisions of the school
18 elections chapter of this title;

19 (5) participate in the teachers' retirement system of the state of Montana in accordance with the
20 provisions of the teachers' retirement system chapter of Title 19;

21 (6) participate in district boundary change actions in accordance with the provisions of the districts
22 chapter of this title;

23 (7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the
24 provisions of the school organization part of this title;

25 (8) adopt and administer the annual budget or a budget amendment of the district in accordance with
26 the provisions of the school budget system part of this title;

27 (9) conduct the fiscal business of the district in accordance with the provisions of the school financial
28 administration part of this title;

29 (10) subject to [section 1], establish the ANB, BASE budget levy, over-BASE budget levy, additional levy,
30 operating reserve, and state impact aid amounts for the general fund of the district in accordance with the

1 provisions of the general fund part of this title;

2 (11) establish, maintain, budget, and finance the transportation program of the district in accordance with
3 the provisions of the transportation parts of this title;

4 (12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions
5 of the bonds parts of this title;

6 (13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund,
7 building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous
8 programs fund, building fund, lease or rental agreement fund, traffic education fund, impact aid fund, interlocal
9 cooperative agreement fund, and other funds as authorized by the state superintendent of public instruction in
10 accordance with the provisions of the other school funds parts of this title;

11 (14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in
12 accordance with the provisions of the miscellaneous financial parts of this title;

13 (15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with
14 the provisions of the school sites and facilities part of this title;

15 (16) operate the schools of the district in accordance with the provisions of the school calendar part of
16 this title;

17 (17) establish and maintain the instructional services of the schools of the district in accordance with the
18 provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

19 (18) establish and maintain the school food services of the district in accordance with the provisions of
20 the school food services parts of this title;

21 (19) make reports from time to time as the county superintendent, superintendent of public instruction,
22 and board of public education may require;

23 (20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions
24 of the school or the general health conditions of each pupil and, upon request, make available to any parent or
25 guardian any medical reports or health records maintained by the district pertaining to the child;

26 (21) for each member of the trustees, visit each school of the district not less than once each school fiscal
27 year to examine its management, conditions, and needs, except trustees from a first-class school district may
28 share the responsibility for visiting each school in the district;

29 (22) procure and display outside daily in suitable weather on school days at each school of the district
30 an American flag that measures not less than 4 feet by 6 feet;

1 (23) provide that an American flag that measures approximately 12 inches by 18 inches be prominently
 2 displayed in each classroom in each school of the district, except in a classroom in which the flag may get soiled.
 3 This requirement is waived if the flags are not provided by a local civic group.

4 (24) adopt and administer a district policy on assessment for placement of any child who enrolls in a
 5 school of the district from a nonpublic school that is not accredited, as required in 20-5-110;

6 (25) upon request and in compliance with confidentiality requirements of state and federal law, disclose
 7 to interested parties school district student assessment data for any test required by the board of public
 8 education; and

9 (26) perform any other duty and enforce any other requirements for the government of the schools
 10 prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public
 11 instruction."

12
 13 **Section 166.** Section 20-6-413, MCA, is amended to read:

14 **"20-6-413. Cash disposition when district ceases to exist -- special levy for tuition debt.** Whenever
 15 a district ~~shall cease~~ ceases to exist in any manner prescribed in this title, except when districts are consolidated,
 16 the cash on hand to the credit of the funds of the district and the debts of ~~such~~ the former district ~~shall~~ must be
 17 allocated in the following manner:

18 (1) Any cash to the credit of the district ~~shall~~ must be used to pay any debts of the district, including
 19 bonded indebtedness, except that any cash available in the debt service fund ~~shall~~ must be used first to pay bond
 20 interest and all outstanding bonds.

21 (2) If any cash remains to the credit of the district after paying its debts, the cash ~~shall~~ must be
 22 transferred by the county treasurer to the credit of the district or districts assuming its territory. When the territory
 23 is assumed by more than one district, the remaining cash ~~shall~~ must be prorated between the districts on the
 24 basis of the number of children attending school and residing within the territory assumed by each district as
 25 determined by the county superintendent.

26 (3) If any tuition debt remains as an obligation of the district, the tuition debt ~~shall be~~ is the obligation of
 27 the taxable property of the discontinued district, except when the tuition debt has been assumed by the
 28 consolidated or annexing district. ~~The~~ Subject to [section 1], the tuition debt ~~shall~~ must be financed by a mill levy
 29 on the property of the discontinued district and paid from these proceeds by the county superintendent.

30 (4) If any debts, other than bonded indebtedness and tuition, remain as an obligation of the district after

1 the cash has been utilized under the provisions of subsection (1) ~~above~~, the debts ~~shall~~ must be assigned in the
2 same manner prescribed for the transfer of cash under subsection (2) ~~above~~."

3

4 **Section 167.** Section 20-7-705, MCA, is amended to read:

5 **"20-7-705. Adult education fund.** (1) A separate adult education fund must be established when an
6 adult education program is operated by a district or community college district. The financial administration of the
7 fund must comply with the budgeting, financing, and expenditure provisions of the laws governing the schools.

8 (2) Whenever the trustees of a district establish an adult education program under the provisions of
9 20-7-702, they shall establish an adult education fund under the provisions of this section. The adult education
10 fund is the depository for all district money received by the district in support of the adult education program.
11 Federal and state adult education program money must be deposited in the miscellaneous programs fund.

12 (3) ~~The~~ Subject to [section 1], the trustees of a district may authorize the levy of a tax of not more than
13 1 mill on the district, except that trustees of a county high school district may, whether or not the county high
14 school district is unified with an elementary district under the provisions of 20-6-312, authorize a levy of not more
15 than 2 mills on the district and a K-12 school district formed under the provisions of 20-6-701 may authorize a
16 levy of not more than 3 mills on the district, for the operation of an adult education program.

17 (4) Whenever the trustees of a district decide to offer an adult education program during the ensuing
18 school fiscal year, they shall budget for the cost of the program in the adult education fund of the final budget.
19 Any expenditures in support of the adult education program under the final adult education budget must be made
20 in accordance with the financial administration provisions of this title for a budgeted fund.

21 (5) When a tax levy for an adult education program is included as a revenue item on the final adult
22 education budget, the county superintendent shall report the levy requirement to the county commissioners on
23 the fourth Monday of August and a levy on the district must be made by the county commissioners in accordance
24 with 20-9-142."

25

26 **Section 168.** Section 20-7-714, MCA, is amended to read:

27 **"20-7-714. County adult literacy programs -- authorization to levy tax and establish fund.** (1) (a)
28 ~~The~~ Subject to [section 1], the governing body of a county may, in its discretion, establish a fund and levy up to
29 1 mill on each dollar of taxable property in the county for the support of county literacy programs that give first
30 priority to providing direct instruction to adults. The tax levy is in addition to all other tax levies and is subject to

1 limitations on property taxes set forth in 15-10-402.

2 (b) The fund may be used only for the support of adult literacy programs within the county.

3 (2) (a) If a county levies a property tax for adult literacy programs, the county governing body shall
4 appoint a county adult literacy board to administer the expenditure of funds from the county adult literacy fund
5 established in subsection (1).

6 (b) The county adult literacy board shall coordinate all adult literacy programs receiving county adult
7 literacy funds. The board may adopt policies concerning program standards and financial accountability for
8 organizations receiving adult literacy funds. The board may require that adult literacy programs match adult
9 literacy funds with federal, state, or private money. The board may, with the concurrence of the appropriate county
10 officials, arrange for county in-kind services to support adult literacy programs.

11 (c) County adult literacy funding may be expended only on literacy programs for persons who are 16
12 years of age or older and who are not regularly enrolled, full-time pupils for the purposes of ANB computation."
13

14 **Section 169.** Section 20-9-131, MCA, is amended to read:

15 **"20-9-131. Final budget meeting.** (1) On the second Monday in August, at the time and place noticed
16 pursuant to 20-9-115, the trustees of each district shall meet to consider all budget information and any
17 attachments required by law.

18 (2) The trustees may continue the meeting from day to day but shall adopt the final budget for the district
19 and, subject to [section 1], determine the amounts to be raised by tax levies for the district not later than the fourth
20 Monday in August and before the fixing of the tax levies for each district. Any taxpayer in the district may attend
21 any portion of the trustees' meeting and be heard on the budget of the district or on any item or amount contained
22 in the budget."
23

24 **Section 170.** Section 20-9-141, MCA, is amended to read:

25 **"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) ~~The~~
26 Subject to [section 1], the county superintendent shall compute the levy requirement for each district's general
27 fund on the basis of the following procedure:

28 (a) Determine the funding required for the district's final general fund budget less the sum of direct state
29 aid and the special education allowable cost payment for the district by totaling:

30 (i) the district's nonisolated school BASE budget requirement to be met by a district levy as provided in

1 20-9-303; and

2 (ii) any general fund budget amount adopted by the trustees of the district under the provisions of
3 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum
4 general fund budget.

5 (b) Determine the money available for the reduction of the property tax on the district for the general fund
6 by totaling:

7 (i) the general fund balance reappropriated, as established under the provisions of 20-9-104;

8 (ii) amounts received in the last fiscal year for which revenue reporting was required for each of the
9 following:

10 (A) tuition payments for out-of-district pupils under the provisions of 20-5-321 through 20-5-323, except
11 the amount of tuition received for a pupil who is a child with disabilities in excess of the amount received for a
12 pupil without disabilities, as calculated under 20-5-323(2);

13 (B) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504, 61-3-521, 61-3-527,
14 61-3-529, 61-3-537, and 67-3-204;

15 (C) oil and natural gas production taxes;

16 (D) interest earned by the investment of general fund cash in accordance with the provisions of
17 20-9-213(4);

18 (E) revenue from corporation license taxes collected from financial institutions under the provisions of
19 15-31-702; and

20 (F) any other revenue received during the school fiscal year that may be used to finance the general
21 fund, excluding any guaranteed tax base aid; and

22 (iii) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703.

23 (c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property
24 tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund
25 budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general
26 fund BASE budget levy requirement.

27 (d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional
28 funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any
29 additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.

30 (2) ~~The~~ Subject to [section 1], the county superintendent shall calculate the number of mills to be levied

1 on the taxable property in the district to finance the general fund levy requirement for any amount that does not
 2 exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the
 3 sum of:

4 (a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified
 5 by the superintendent of public instruction; and

6 (b) the taxable valuation of the district divided by 1,000.

7 (3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported
 8 to the county commissioners on the fourth Monday of August by the county superintendent as the general fund
 9 net levy requirement for the district, and a levy must be set by the county commissioners in accordance with
 10 20-9-142.

11 (4) For each school district, the department of revenue shall calculate and report to the county
 12 superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross
 13 proceeds under 15-23-703."

14

15 **Section 171.** Section 20-9-142, MCA, is amended to read:

16 **"20-9-142. Fixing and levying taxes by board of county commissioners.** On the fourth Monday in
 17 August, the county superintendent shall place before the board of county commissioners the final adopted budget
 18 of the district. ~~It~~ Subject to [section 1], it is the duty of the board of county commissioners to fix and levy on all the
 19 taxable value of all the real and personal property within the district all district and county taxation required to
 20 finance, within the limitations provided by law, the final budget."

21

22 **Section 172.** Section 20-9-151, MCA, is amended to read:

23 **"20-9-151. Budgeting procedure for joint districts.** (1) The trustees of a joint district shall adopt a
 24 budget according to the school budgeting laws and send a copy of ~~such the~~ the budget to the county superintendent
 25 of each county in which a part of the joint district is located. After approval by the trustees of the joint district the
 26 final budgets of joint districts ~~shall~~ must be filed in the office of the county superintendent of each county in which
 27 a part of a joint district is located.

28 (2) The county superintendents receiving the budget of a joint district shall jointly compute the estimated
 29 budget ~~revenues~~ revenue and determine the number of mills ~~which that~~ that need to be levied in the joint district for
 30 each fund for which a levy is to be made. The superintendent of public instruction shall establish a communication

1 procedure to facilitate the joint estimation of ~~revenues~~ revenue and determination of the tax levies.

2 (3) After determining, in accordance with law and subject to [section 1], the number of mills ~~which that~~
3 need to be levied for each fund included on the final budget of the joint district, a joint statement of the required
4 mill levies ~~shall~~ must be prepared and signed by the county superintendents involved in the computation. A copy
5 of the statement ~~shall~~ must be delivered to the board of county commissioners of each county in which a part of
6 the joint district is located not later than the Friday immediately preceding the second Monday in August."

7
8 **Section 173.** Section 20-9-152, MCA, is amended to read:

9 **"20-9-152. Fixing and levying taxes for joint districts.** (1) At the time of fixing levies for county and
10 school purposes on the second Monday in August, the board of county commissioners of each county in which
11 a part of a joint district is located shall, subject to [section 1], fix and levy taxes on that portion of the joint district
12 located in ~~such~~ each board's county at the number of mills for each ~~such~~ levy recommended by the joint
13 statement of the county superintendents.

14 (2) The board of county commissioners shall include in the amounts to be raised by the county levies
15 for schools all the amounts required for the final budget of each part of a joint district located in the county, in
16 accordance with the recommendations of the county superintendent."

17
18 **Section 174.** Section 20-9-168, MCA, is amended to read:

19 **"20-9-168. Emergency budget amendment tax levy.** When a budget amendment has been adopted
20 by the board of trustees under 20-9-161(2) and a district does not have sufficient funds, including insurance
21 proceeds and reserves, to finance the budget amendment, the district may, subject to [section 1], levy a tax in
22 the ensuing school year to fund the expenditures authorized by the budget amendment. The amount levied may
23 not exceed the unfunded amount of the budget amendment."

24
25 **Section 175.** Section 20-9-303, MCA, is amended to read:

26 **"20-9-303. Nonisolated school BASE budget funding -- special education funds.** (1) An elementary
27 school that has an ANB of nine or fewer pupils for 2 consecutive years and that is not approved as an isolated
28 school under the provisions of 20-9-302 may budget and spend the BASE budget amount, but the county and
29 state shall provide one-half of the direct state aid, and subject to [section 1], the district shall finance the remaining
30 one-half of the direct state aid by a tax levied on the property of the district. When a school of nine or fewer pupils

1 is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing
2 of the total amount of the direct state aid.

3 (2) Funds provided to support the special education program may be expended only for special
4 education purposes as approved by the superintendent of public instruction in accordance with the special
5 education budgeting provisions of this title. Expenditures for special education must be accounted for separately
6 from and in addition to the balance of the school district general fund budgeting requirements provided in
7 20-9-307 and 20-9-308. The amount of the special education allowable cost payments that is not matched with
8 district funds, as required in 20-9-321, will reduce by a like amount the district's ensuing year's allowable cost
9 payment for special education."
10

11 **Section 176.** Section 20-9-308, MCA, is amended to read:

12 **"20-9-308. BASE budgets and maximum general fund budgets.** (1) The trustees of a district shall
13 adopt a general fund budget that:

14 (a) except as provided in subsection (2), is at least equal to the BASE budget established for the district;
15 or

16 (b) except as provided in ~~section 3, Chapter 38, Special Laws of November 1993,~~ and subsection (4)
17 ~~of this section,~~ does not exceed the maximum general fund budget established for the district.

18 (2) ~~(a)~~ If the BASE budget for a district for the school fiscal year is greater than the general fund budget
19 of the district for the prior school fiscal year, the trustees of the district:

20 ~~—— (i) shall increase the general fund budget by at least:~~

21 ~~—— (A) 25% of the range between the district general fund budget for the school fiscal year ending June 30,~~
22 ~~1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;~~

23 ~~—— (B) 33.3% of the range between the district general fund budget for the school fiscal year ending June~~
24 ~~30, 1995, and the BASE budget for the district for the school fiscal year beginning July 1, 1995;~~

25 ~~—— (C) 50% of the range between the district general fund budget for the school fiscal year ending June 30,~~
26 ~~1996, and the BASE budget for the district for the school fiscal year beginning July 1, 1996; or~~

27 ~~—— (D) the remainder of the range between the district general fund budget for the school fiscal year ending~~
28 ~~June 30, 1997, and the BASE budget for the district for the school fiscal year beginning July 1, 1997;~~

29 ~~—— (ii) may increase the general fund budget beyond the amount in subsection (2)(a)(i) but by not by more~~
30 ~~than 4% of the previous year's general fund budget or by not more than 4% of the previous year's general fund~~

1 per-ANB multiplied by the current year's ANB for budgeting purposes pursuant to subsection (2)(b).

2 ~~(b) The trustees shall submit a proposition on any amount exceeding the limitations in subsection (2)(a)(i)~~
 3 ~~to the electors of the district, as provided in 20-9-353.~~

4 (3) (a) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget
 5 for the district but does not exceed the maximum general fund budget for the district, the trustees shall submit
 6 a proposition to the electors of the district, as provided in 20-9-353, for any budget amount that exceeds the
 7 previous year's general fund budget amount or the previous year's general fund budget per-ANB multiplied by
 8 the current year's ANB for budgeting purposes.

9 (b) A general fund budget adopted under this subsection (3) may not exceed the greater of:

10 (i) 104% of the previous year's general fund budget ~~as adjusted by the provisions of section 3, Chapter~~
 11 ~~38, Special Laws of November 1993;~~ or

12 (ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for
 13 budgeting purposes ~~as adjusted by the provisions of section 3, Chapter 38, Special Laws of November 1993.~~

14 (4) (a) If the maximum general fund budget for a district for an ensuing school fiscal year is less than the
 15 general fund budget for the district for the current school fiscal year, ~~as adjusted by the provisions of section 3,~~
 16 ~~Chapter 38, Special Laws of November 1993,~~ the trustees of the district may not adopt a general fund budget
 17 for the ensuing school fiscal year that is greater than the district's general fund budget for the current school fiscal
 18 year.

19 ~~(b) Except for the school fiscal year beginning July 1, 1994, the~~ The trustees of the district shall submit
 20 a proposition to raise any general fund budget amount that is in excess of the maximum general fund budget for
 21 the district to the electors who are qualified under 20-20-301 to vote on the proposition, as provided in 20-9-353.

22 (5) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE
 23 budget for the district, the trustees shall finance this amount with the following sources of revenue:

24 (a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the
 25 district may be eligible, as provided in 20-9-366 through 20-9-369;

26 (b) county equalization aid, as provided in 20-9-331 and 20-9-333;

27 (c) a district levy for support of a school not approved as an isolated school under the provisions of
 28 20-9-302;

29 (d) payments in support of special education programs under the provisions of 20-9-321;

30 (e) nonlevy revenue as provided in 20-9-141; and

1 (f) a BASE budget levy on the taxable value of all property within the district.

2 (6) ~~The Subject to [section 1], the~~ over-BASE budget amount of a district must be financed by a levy on
3 the taxable value of all property within the district or other revenue available to the district as provided in
4 20-9-141."

5

6 **Section 177.** Section 20-9-331, MCA, is amended to read:

7 **"20-9-331. Basic county tax for elementary equalization and other revenue for county**
8 **equalization of elementary BASE funding program.** (1) ~~The Subject to [section 1], the~~ county commissioners
9 of each county shall levy an annual basic county tax of 33 mills on the dollar of the taxable value of all taxable
10 property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-504,
11 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204, for the purposes of elementary equalization and state
12 BASE funding program support. The revenue collected from this levy must be apportioned to the support of the
13 elementary BASE funding programs of the school districts in the county and to the state general fund in the
14 following manner:

15 (a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum
16 of the estimated revenue identified in subsection (2) must be subtracted from the total of the BASE funding
17 programs of all elementary districts of the county.

18 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is required
19 to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state
20 treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each
21 subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has
22 been set.

23 (2) The revenue realized from the county's portion of the levy prescribed by this section and the revenue
24 from the following sources must be used for the equalization of the elementary BASE funding program of the
25 county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer
26 in accordance with 20-9-212(1):

27 (a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for the
28 elementary county equalization fund under the provisions of 17-3-222;

29 (b) the portion of the federal flood control act funds distributed to a county and designated for expenditure
30 for the benefit of the county common schools under the provisions of 17-3-232;

1 (c) all money paid into the county treasury as a result of fines for violations of law, except money paid
2 to a justice's court, and the use of which is not otherwise specified by law;

3 (d) any money remaining at the end of the immediately preceding school fiscal year in the county
4 treasurer's accounts for the various sources of revenue established or referred to in this section;

5 (e) any federal or state money distributed to the county as payment in lieu of property taxation, including
6 federal forest reserve funds allocated under the provisions of 17-3-213;

7 (f) gross proceeds taxes from coal under 15-23-703;

8 (g) oil and natural gas production taxes;

9 (h) anticipated local government severance tax payments for calendar year 1995 production as provided
10 in 15-36-325; and

11 (i) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,
12 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204."

13
14 **Section 178.** Section 20-9-333, MCA, is amended to read:

15 **"20-9-333. Basic county tax for high school equalization and other revenue for county**
16 **equalization of high school BASE funding program.** (1) ~~The~~ Subject to [section 1], the county commissioners
17 of each county shall levy an annual basic county tax of 22 mills on the dollar of the taxable value of all taxable
18 property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-504,
19 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204, for the purposes of high school equalization and state
20 BASE funding program support. The revenue collected from this levy must be apportioned to the support of the
21 BASE funding programs of high school districts in the county and to the state general fund in the following
22 manner:

23 (a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum
24 of the estimated revenue identified in subsection (2) must be subtracted from the sum of the county's high school
25 tuition obligation and the total of the BASE funding programs of all high school districts of the county.

26 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is required
27 to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state
28 treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each
29 subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has
30 been set.

1 (2) The revenue realized from the county's portion of the levy prescribed in this section and the revenue
 2 from the following sources must be used for the equalization of the high school BASE funding program of the
 3 county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer
 4 in accordance with 20-9-212(1):

5 (a) any money remaining at the end of the immediately preceding school fiscal year in the county
 6 treasurer's accounts for the various sources of revenue established in this section;

7 (b) any federal or state money distributed to the county as payment in lieu of property taxation, including
 8 federal forest reserve funds allocated under the provisions of 17-3-213;

9 (c) gross proceeds taxes from coal under 15-23-703;

10 (d) oil and natural gas production taxes;

11 (e) anticipated local government severance tax payments for calendar year 1995 production as provided
 12 in 15-36-325; and

13 (f) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,
 14 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204."

15
 16 **Section 179.** Section 20-9-360, MCA, is amended to read:

17 **"20-9-360. State equalization aid levy.** ~~There~~ Subject to [section 1], there is a levy of 40 mills imposed
 18 by the county commissioners of each county on all taxable property within the state, except property for which
 19 a tax or fee is required under 23-2-517, 23-2-803, 61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and
 20 67-3-204. Proceeds of the levy must be remitted to the state treasurer and must be deposited to the credit of the
 21 state general fund for state equalization aid to the public schools of Montana."

22
 23 **Section 180.** Section 20-9-404, MCA, is amended to read:

24 **"20-9-404. Contracts and bonds for joint construction.** The trustees of a school district may enter
 25 into a contract with the trustees of any school district within the county or with any school district in an adjoining
 26 county to provide for the joint construction of a facility upon terms and conditions mutually agreed upon between
 27 the districts. The trustees of any district executing a contract in accordance with this section may, subject to
 28 [section 1], levy taxes and issue bonds for the purpose of constructing the facilities authorized by this section."

29
 30 **Section 181.** Section 20-9-438, MCA, is amended to read:

1 **"20-9-438. Preparation of debt service fund budget -- operating reserve.** (1) The trustees of each
 2 school district having outstanding bonds shall include in the debt service fund of the final budget adopted in
 3 accordance with 20-9-133 an amount of money that is necessary to pay the interest and the principal amount
 4 becoming due during the ensuing school fiscal year for each series or installment of bonds, according to the terms
 5 and conditions of the bonds and the redemption plans of the trustees.

6 (2) ~~The Subject to [section 1], the~~ trustees shall also include in the debt service fund of the final budget:

7 (a) the amount of money necessary to pay the special improvement district assessments levied against
 8 the school district that become due during the ensuing school fiscal year; and

9 (b) a limited operating reserve for the school fiscal year following the ensuing school fiscal year as
 10 provided in subsection (3).

11 (3) At the end of each school fiscal year, the trustees of a school district may designate a portion of the
 12 end-of-the-year fund balance of the debt service fund to be earmarked as a limited operating reserve for the
 13 purpose of paying, whenever a cash flow shortage occurs, debt service fund warrants and bond obligations that
 14 must be paid from July 1 through November 30 of the school fiscal year following the ensuing school fiscal year.
 15 Any portion of the debt service fund end-of-the-year fund balance not earmarked for limited operating reserve
 16 purposes must be reappropriated to be used for property tax reduction as provided in 20-9-439.

17 (4) The county superintendent shall compare the final budgeted amount for the debt service fund with
 18 the bond retirement and interest requirement and the special improvement district assessments for the school
 19 fiscal year just beginning as reported by the county treasurer in the statement supplied under the provisions of
 20 20-9-121. If the county superintendent finds that the requirement stated by the county treasurer is more than the
 21 final budget amount, the county superintendent shall increase the budgeted amount for interest or principal in the
 22 debt service fund of the final budget. The amount confirmed or revised by the county superintendent is the final
 23 budget expenditure amount for the debt service fund of the school district."
 24

25 ~~Section 176. Section 20-9-501, MCA, is amended to read:~~

26 ~~"20-9-501. Retirement fund. (1) The trustees of a district employing personnel who are members of the~~
 27 ~~teachers' retirement system or the public employees' retirement system or who are covered by unemployment~~
 28 ~~insurance or who are covered by any federal social security system requiring employer contributions shall~~
 29 ~~establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems.~~
 30 ~~The district's contribution for each employee who is a member of the teachers' retirement system must be~~

1 calculated in accordance with Title 19, chapter 20, part 6. The district's contribution for each employee who is a
2 member of the public employees' retirement system must be calculated in accordance with 19-3-316. The
3 district's contributions for each employee covered by any federal social security system must be paid in
4 accordance with federal law and regulation. The district's contribution for each employee who is covered by
5 unemployment insurance must be paid in accordance with Title 39, chapter 51, part 11.

6 ~~_____ (2) The trustees of a district required to make a contribution to a system referred to in subsection (1) shall~~
7 ~~include in the retirement fund of the final budget the estimated amount of the employer's contribution. After the~~
8 ~~final retirement fund budget has been adopted, the trustees shall pay the employer contributions to the systems~~
9 ~~in accordance with the financial administration provisions of this title.~~

10 ~~_____ (3) When the final retirement fund budget has been adopted, the county superintendent shall, subject~~
11 ~~to [section 1], establish the levy requirement by:~~

12 ~~_____ (a) determining the sum of the money available to reduce the retirement fund levy requirement by adding:~~

13 ~~_____ (i) any anticipated money that may be realized in the retirement fund during the ensuing school fiscal~~
14 ~~year, including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,~~
15 ~~61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

16 ~~_____ (ii) oil and natural gas production taxes;~~

17 ~~_____ (iii) anticipated local government severance tax payments for calendar year 1995 production as provided~~
18 ~~in 15-36-325;~~

19 ~~_____ (iv) coal gross proceeds taxes under 15-23-703;~~

20 ~~_____ (v) any fund balance available for reappropriation as determined by subtracting the amount of the~~
21 ~~end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school fiscal~~
22 ~~year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement fund operating~~
23 ~~reserve may not be more than 35% of the final retirement fund budget for the ensuing school fiscal year and must~~
24 ~~be used for the purpose of paying retirement fund warrants issued by the district under the final retirement fund~~
25 ~~budget.~~

26 ~~_____ (vi) any other revenue anticipated that may be realized in the retirement fund during the ensuing school~~
27 ~~fiscal year, excluding any guaranteed tax base aid.;~~

28 ~~_____ (b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction of the~~
29 ~~levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures in the final~~
30 ~~retirement fund budget.~~

1 ~~—— (4) The county superintendent shall:~~

2 ~~—— (a) total the net retirement fund levy requirements separately for all elementary school districts, all high~~
 3 ~~school districts, and all community college districts of the county, including any prorated joint district or special~~
 4 ~~education cooperative agreement levy requirements; and~~

5 ~~—— (b) report each levy requirement to the county commissioners on the fourth Monday of August as the~~
 6 ~~respective county levy requirements for elementary district, high school district, and community college district~~
 7 ~~retirement funds.~~

8 ~~—— (5) The Subject to [section 1], the county commissioners shall fix and set the county levy in accordance~~
 9 ~~with 20-9-142.~~

10 ~~—— (6) The net retirement fund levy requirement for a joint elementary district or a joint high school district~~
 11 ~~must be prorated to each county in which a part of the district is located in the same proportion as the district ANB~~
 12 ~~of the joint district is distributed by pupil residence in each county. The county superintendents of the counties~~
 13 ~~affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.~~

14 ~~—— (7) The Subject to [section 1], the net retirement fund levy requirement for districts that are members of~~
 15 ~~special education cooperative agreements must be prorated to each county in which the district is located in the~~
 16 ~~same proportion as the special education cooperative budget is prorated to the member school districts. The~~
 17 ~~county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement~~
 18 ~~for each county in the same manner as provided in 20-9-151, and subject to [section 1], the county~~
 19 ~~commissioners shall fix and levy the net retirement fund levy for each county in the same manner as provided~~
 20 ~~in 20-9-152.~~

21 ~~—— (8) The Subject to [section 1], the county superintendent shall calculate the number of mills to be levied~~
 22 ~~on the taxable property in the county to finance the retirement fund net levy requirement by dividing the amount~~
 23 ~~determined in subsection (4)(a) by the sum of:~~

24 ~~—— (a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as certified~~
 25 ~~by the superintendent of public instruction; and~~

26 ~~—— (b) the taxable valuation of the district divided by 1,000."~~

27

28 ~~—— **Section 177.** Section 20-10-144, MCA, is amended to read:~~

29 ~~—— **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund**~~
 30 ~~**budget.** Before the second Monday of August, the county superintendent shall compute the revenue available~~

1 to finance the transportation fund budget of each district. The county superintendent shall compute the revenue
2 for each district on the following basis:

3 ~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in
4 20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

5 ~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained
6 by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate per bus mile by
7 the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the
8 county transportation committee and maintained by the district); plus~~

9 ~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as determined
10 from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the
11 ensuing school attendance year; plus~~

12 ~~—— (c) any estimated costs for supervised home study or supervised correspondence study for the ensuing
13 school fiscal year; plus~~

14 ~~—— (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the
15 amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the
16 contingency amount on the budget must be reduced to the limitation amount and used in this determination of
17 the schedule amount; plus~~

18 ~~—— (e) any estimated costs for transporting a child out of district when the child has mandatory approval to
19 attend school in a district outside the district of residence.~~

20 ~~—— (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,
21 whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be
22 budgeted on the following basis:~~

23 ~~—— (i) one-half is the budgeted state transportation reimbursement, except that the state transportation
24 reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be 50%
25 of the schedule amount attributed to the transportation of special education pupils; and~~

26 ~~—— (ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the
27 manner provided in 20-10-146.~~

28 ~~—— (b) When the district has a sufficient amount of fund balance for reappropriation and other sources of
29 district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any
30 remaining amount of district revenue and fund balance reappropriated must be used to reduce the county~~

1 financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce
 2 the state financial obligation in subsection (2)(a)(i):

3 ~~—— (c) The county revenue requirement for a joint district, after the application of any district money under
 4 subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the
 5 ANB of the joint district is distributed by pupil residence in each county:~~

6 ~~—— (3) The total of the money available for the reduction of property tax on the district for the transportation
 7 fund must be determined by totaling:~~

8 ~~—— (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other
 9 anticipated federal money received in lieu of that federal act;~~

10 ~~—— (b) anticipated payments from other districts for providing school bus transportation services for the
 11 district;~~

12 ~~—— (c) anticipated payments from a parent or guardian for providing school bus transportation services for
 13 a child;~~

14 ~~—— (d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in
 15 accordance with the provisions of 20-9-213(4);~~

16 ~~—— (e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,
 17 23-2-803, 61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

18 ~~—— (f) anticipated revenue from coal gross proceeds under 15-23-703;~~

19 ~~—— (g) anticipated oil and natural gas production taxes;~~

20 ~~—— (h) anticipated local government severance tax payments for calendar year 1995 production;~~

21 ~~—— (i) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through
 22 20-5-324;~~

23 ~~—— (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that
 24 may be used to finance the transportation fund; and~~

25 ~~—— (k) any fund balance available for reappropriation as determined by subtracting the amount of the
 26 end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal
 27 year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may
 28 not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the
 29 purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.~~

30 ~~—— (4) The Subject to [section 1], the district levy requirement for each district's transportation fund must~~

1 be computed by:

2 ~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation~~
3 ~~budget amount; and~~

4 ~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as determined~~
5 ~~in subsection (3), from the amount determined in subsection (4)(a):~~

6 ~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must be~~
7 ~~reported to the county commissioners on the fourth Monday of August by the county superintendent as the~~
8 ~~transportation fund levy requirements for the district, and subject to [section 1], the levy must be made by the~~
9 ~~county commissioners in accordance with 20-9-142."~~

10

11 ~~—— **Section 178.** Section 20-10-146, MCA, is amended to read:~~

12 ~~—— **"20-10-146. County transportation reimbursement.** (1) The apportionment of the county transportation~~
13 ~~reimbursement by the county superintendent for school bus transportation or individual transportation that is~~
14 ~~actually rendered by a district in accordance with this title, board of public education transportation policy, and~~
15 ~~the transportation rules of the superintendent of public instruction must be the same as the state transportation~~
16 ~~reimbursement payment, except that:~~

17 ~~—— (a) if any cash was used to reduce the budgeted county transportation reimbursement under the~~
18 ~~provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;~~

19 ~~—— (b) when the county transportation reimbursement for a school bus has been prorated between two or~~
20 ~~more counties because the school bus is conveying pupils of more than one district located in the counties, the~~
21 ~~apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under~~
22 ~~the proration; and~~

23 ~~—— (c) when county transportation reimbursement is required under the mandatory attendance agreement~~
24 ~~provisions of 20-5-321.~~

25 ~~—— (2) Subject to [section 1], the county transportation net levy requirement for the financing of the~~
26 ~~county transportation fund reimbursements to districts is computed by:~~

27 ~~—— (a) totaling the net requirement for all districts of the county, including reimbursements to a special~~
28 ~~education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory~~
29 ~~attendance agreement provisions of 20-5-321;~~

30 ~~—— (b) determining the sum of the money available to reduce the county transportation net levy requirement~~

1 by adding:

2 ~~———(i) anticipated money that may be realized in the county transportation fund during the ensuing school~~

3 ~~fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803,~~

4 ~~61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

5 ~~———(ii) oil and natural gas production taxes;~~

6 ~~———(iii) anticipated local government severance tax payments for calendar year 1995 production;~~

7 ~~———(iv) coal gross proceeds taxes under 15-23-703;~~

8 ~~———(v) any fund balance available for reappropriation from the end-of-the-year fund balance in the county~~

9 ~~transportation fund;~~

10 ~~———(vi) federal forest reserve funds allocated under the provisions of 17-3-213; and~~

11 ~~———(vii) other revenue anticipated that may be realized in the county transportation fund during the ensuing~~

12 ~~school fiscal year; and~~

13 ~~———(c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy requirement~~

14 ~~from the county transportation net levy requirement.~~

15 ~~———(3) The net levy requirement determined in subsection (2)(c) must be reported to the county~~

16 ~~commissioners on the fourth Monday of August by the county superintendent, and subject to [section 1], a levy~~

17 ~~must be set by the county commissioners in accordance with 20-9-142.~~

18 ~~———(4) The county superintendent shall apportion the county transportation reimbursement from the~~

19 ~~proceeds of the county transportation fund. The county superintendent shall order the county treasurer to make~~

20 ~~the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state transportation~~

21 ~~reimbursement payments."~~

22

23 **Section 182.** Section 20-10-147, MCA, is amended to read:

24 **"20-10-147. Bus depreciation reserve.** (1) The trustees of a district owning a bus or a two-way radio

25 used for purposes of transportation, as defined in 20-10-101, or for purposes of conveying pupils to and from

26 school functions or activities may establish a bus depreciation reserve fund to be used for the conversion,

27 remodeling, or rebuilding of a bus or for the replacement of a bus or radio.

28 (2) Whenever a bus depreciation reserve fund is established, the trustees may include in the district's

29 budget, in accordance with the school budgeting provisions of this title, an amount each year that does not

30 exceed 20% of the original cost of a bus or a two-way radio. The amount budgeted may not, over time, exceed

1 150% of the original cost of a bus or two-way radio. The annual revenue requirement for each district's bus
 2 depreciation reserve fund, determined within the limitations of this section, must be reported by the county
 3 superintendent to the county commissioners on the fourth Monday of August as the bus depreciation reserve fund
 4 levy requirement for that district, and subject to [section 1], a levy must be made by the county commissioners
 5 in accordance with 20-9-142.

6 (3) Any expenditure of bus depreciation reserve fund money must be within the limitations of the district's
 7 final bus depreciation reserve fund budget and the school financial administration provisions of this title and may
 8 be made only to convert, remodel, or rebuild buses or to replace the buses or radios for which the bus
 9 depreciation reserve fund was created.

10 (4) Whenever the trustees of a district maintaining a bus depreciation reserve fund sell all of the district's
 11 buses and consider it to be in the best interest of the district to transfer any portion or all of the bus depreciation
 12 reserve fund balance to any other fund maintained by the district, the trustees shall submit the proposition to the
 13 electors of the district. The electors qualified to vote at the election shall qualify under 20-20-301, and the election
 14 must be called and conducted in the manner prescribed by this title for school elections. If a majority of those
 15 electors voting at the election approve the proposed transfer from the bus depreciation reserve fund, the transfer
 16 is approved and the trustees shall immediately order the county treasurer to make the approved transfer."
 17

18 **Section 183.** Section 20-15-305, MCA, is amended to read:

19 **"20-15-305. Adult education tax levy.** A community college ~~shall be~~ is considered a district for the
 20 purposes of adult education and under the provisions for adult education may, subject to [section 1], levy a 1-mill
 21 tax for the support of its adult education program when the superintendent of public instruction approves ~~such~~
 22 the program."
 23

24 **Section 184.** Section 20-15-311, MCA, is amended to read:

25 **"20-15-311. Funding sources.** The annual operating budget of a community college district ~~shall~~ must
 26 be financed from the following sources:

- 27 (1) the estimated ~~revenues~~ revenue to be realized from student tuition and fees, except ~~those~~ revenue
 28 related to community service courses as defined by the board of regents;
- 29 (2) subject to [section 1], a mandatory mill levy on the community college district;
- 30 (3) subject to [section 1], the 1-mill adult education levy authorized under provisions of 20-15-305;

1 (4) the state general fund appropriation;

2 (5) an optional voted levy on the community college district that ~~shall~~ must be submitted to the electorate
3 in accordance with general school election laws;

4 (6) all other income, revenue, balances, or reserves not restricted by a source outside the community
5 college district to a specific purpose;

6 (7) income, revenue, balances, or reserves restricted by a source outside the community college district
7 to a specific purpose. Student fees paid for community service courses as defined by the board of regents ~~shall~~
8 be are considered restricted to a specific purpose;

9 (8) income from a political subdivision that is designated a community college service region under
10 20-15-241."

11
12 **Section 185.** Section 20-15-313, MCA, is amended to read:

13 **"20-15-313. Tax levy.** On the second Monday in August, the board of county commissioners of any
14 county where a community college district is located shall, subject to [section 1], fix and levy a tax on all the real
15 and personal property within the community college district at the rate required to finance the mandatory mill levy
16 prescribed by ~~subsection (1)(b) of 20-15-312(1)(b)~~ subsection (1)(b) and the voted levy prescribed by ~~subsection (5) of~~
17 ~~20-15-311(5)~~ subsection (5) if one has been approved by the voters. When a community college district has territory in more
18 than one county, the board of county commissioners in each county shall fix and levy the community college
19 district tax on all the real and personal property of the community college district situated in its county."

20
21 **Section 186.** Section 20-15-314, MCA, is amended to read:

22 **"20-15-314. Tax levy for community college service region.** A Subject to [section 1], a governing body
23 designating a community college service region as provided in 20-15-241 may levy a tax on all real and personal
24 property within the region at a rate required to finance the services offered by a community college district for the
25 region. The levy is in addition to any other levies allowed by law and is not subject to any statutory or charter
26 limitations on levies other than [section 1]. The levy must be made at the same time and in the same manner as
27 the general levy of the political subdivision designating the region is made, and the ~~revenues~~ revenue generated
28 ~~thereby~~ must be collected at the same time and in the same manner. Within 30 days of collection, the appropriate
29 ~~revenues~~ revenue must be transmitted to the participating community college district."

1 **Section 187.** Section 20-15-326, MCA, is amended to read:

2 **"20-15-326. Determination of available financing -- fixing and levying property taxation for**
3 **emergency budget.** (1) After the last day of the fiscal year for which an emergency budget has been adopted,
4 the board of trustees shall determine the amount of the cash balance that is available to finance the emergency
5 budget's outstanding warrants or registered warrants for each fund included on the emergency budget. The
6 available amount of the cash balance of each fund must be determined by deducting from the county treasurer's
7 yearend cash balance for the fund the outstanding warrants or registered warrants issued under the regularly
8 adopted final budget for the fund and the cash reserve for the fund that the trustees have established, within the
9 limitations of law, for the following fiscal year.

10 (2) The county treasurer shall prepare and deliver a statement on the financial cash status of each fund
11 included on an emergency budget for a district that had an emergency budget during the preceding year to the
12 board of county commissioners by the first Monday in August. The statement for each district emergency budget
13 must include:

14 (a) the total amount of emergency warrants that are registered against each fund of the district; and
15 (b) the additional amount of money that is required to finance the registered warrants and interest on the
16 warrants and that must be raised by a tax levy.

17 (3) For each fund of the emergency budget of each district requiring a tax levy as established by
18 subsection (2)(b), the board of county commissioners shall, subject to [section 1] and at the time all other district
19 and county taxes are fixed and levied, levy a tax on the taxable property of each applicable district that will raise
20 sufficient financing to pay the amount established by the county treasurer."

21

22 **Section 188.** Section 20-25-423, MCA, is amended to read:

23 **"20-25-423. State tax levy -- support of public education institutions.** ~~The~~ Subject to [section 1], the
24 legislature shall levy a property tax of not more than 6 mills on the taxable value of all real and personal property
25 each year for 10 years beginning with the year 1999. All revenue from this property tax levy must be appropriated
26 for the support, maintenance, and improvement of the Montana university system."

27

28 **Section 189.** Section 20-25-439, MCA, is amended to read:

29 **"20-25-439. Vocational-technical education -- mill levy required.** (1) ~~The~~ Subject to [section 1], the
30 boards of county commissioners of Cascade, Lewis and Clark, Missoula, Silver Bow, and Yellowstone Counties

1 shall in each calendar year levy a tax of 1 1/2 mills on the dollar value of all taxable property, real and personal,
2 located within the respective county.

3 (2) The funds from the mill levy must be deposited in the general fund and must be distributed for
4 vocational-technical education on the basis of budgets approved by the board of regents."

5

6 **Section 190.** Section 22-1-304, MCA, is amended to read:

7 **"22-1-304. Tax levy -- special library fund -- bonds.** (1) ~~The~~ Subject to [section 1], the governing body
8 of any city or county ~~which~~ that has established a public library may levy in the same manner and at the same
9 time as other taxes are levied a special tax in the amount necessary to maintain adequate public library service,
10 not to exceed 5 mills on the dollar, upon all property in ~~such~~ the county ~~which~~ that may be levied by the governing
11 body of ~~such~~ the county and not to exceed 7 mills on the dollar upon all property in ~~such~~ the city ~~which~~ that may
12 be levied by the governing body of ~~such~~ the city.

13 (2) (a) The governing body of any city or county may by resolution submit the question of exceeding the
14 maximum tax levy provided in subsection (1) to a vote of the qualified electors ~~thereof~~ at the next ~~general~~
15 appropriate election. ~~Such~~ The resolution must be adopted at least 75 days prior to the ~~general~~ election at which
16 the question will be voted on.

17 (b) Upon a petition being filed with the governing body and signed by not less than 5% of the resident
18 taxpayers of any city or county requesting an election for the purpose of exceeding the maximum mill levy, the
19 governing body shall submit to a vote of the qualified electors ~~thereof~~ at the next ~~general~~ election the question
20 of exceeding the maximum mill levy. ~~Such~~ The petition must be delivered to the governing body at least 90 days
21 prior to the ~~general~~ election at which the question will be voted on.

22 (c) The question ~~shall~~ must be submitted by ballots upon which the words "FOR exceeding the ... mill
23 maximum levy and authorizing an additional ... mill(s) for the library" and "AGAINST exceeding the ... mill
24 maximum library levy" ~~shall~~ appear, with a square before each proposition and a direction to insert an "X" mark
25 in the square before one or the other of the propositions.

26 (d) The votes cast for the adoption or rejection of the question must be canvassed, and:

27 (i) if a majority of the voters voting on the question vote to exceed the maximum mill levy, the governing
28 body shall levy the additional tax for the year in which the vote was taken; or

29 (ii) if a majority of the voters voting on the question vote to not exceed the maximum mill levy, the
30 maximum mill levy may not be exceeded.

1 (3) The municipal tax authorized in this section is in addition to all other taxes authorized by law and is
2 not within the all-purpose mill levy established by 7-6-4451 through 7-6-4453.

3 (4) The proceeds of ~~such the~~ tax ~~shall~~ constitute a separate fund called the public library fund and ~~shall~~
4 may not be used for any purpose except those of the public library.

5 (5) ~~No money shall~~ Money may not be paid out of the public library fund by the treasurer of the city or
6 county except by order or warrant of the board of library trustees.

7 (6) Bonds may be issued by the governing body in the manner prescribed by law for the erection and
8 equipment of public library buildings and the purchase of land ~~therefor~~ for public library buildings."

9
10 **Section 191.** Section 22-1-316, MCA, is amended to read:

11 **"22-1-316. Joint city-county library.** (1) A county and any city or cities within the county, by action of
12 their respective governing bodies, may join in establishing and maintaining a joint city-county library under the
13 terms of a contract agreed upon by all parties.

14 (2) The expenses of a joint city-county library ~~shall~~ must be apportioned between or among the county
15 and cities on ~~such a the~~ basis ~~as shall be~~ agreed upon in the contract.

16 (3) ~~The~~ Subject to [section 1], the governing body of any city or county entering into a contract may levy
17 a special tax as provided in 22-1-304 for the establishment and operation of a joint city-county library.

18 (4) The treasurer of the county or of a participating city within the county, as ~~shall be~~ provided in the
19 contract, ~~shall have~~ has custody of the funds of the joint city-county library, and the other treasurers of the county
20 or cities joining in the contract shall transfer quarterly to ~~him~~ the designated treasurer all ~~moneys~~ money collected
21 for the joint city-county library.

22 (5) The contract ~~shall~~ must provide for the disposition of property upon dissolution of the joint city-county
23 library."

24
25 **Section 192.** Section 23-4-303, MCA, is amended to read:

26 **"23-4-303. Licensee's right to withhold deposits.** ~~In the event any~~ Subject to [section 1], if a
27 government or governmental agency imposes a levy on a licensee by a special tax on the money ~~so~~ deposited
28 under the parimutuel system or upon or against ~~his~~ a licensee's receipts ~~therefrom~~, the ~~said~~ licensee may
29 withhold in addition to the ~~aforsaid~~ percent and breakage provided for in 23-4-302 the amount of the tax ~~so~~
30 levied."

1

2 **Section 193.** Section 41-5-1804, MCA, is amended to read:

3 **"41-5-1804. Regional detention facilities.** (1) Two or more counties may, by contract, establish and
4 maintain a regional detention facility.

5 (2) For the purpose of establishing and maintaining a regional detention facility, a county may:

6 (a) issue general obligation bonds for the acquisition, purchase, construction, renovation, and
7 maintenance of a regional detention facility;

8 (b) subject to [section 1], levy and appropriate taxes, as permitted by law, to pay its share of the cost of
9 equipping, operating, and maintaining the facility; and

10 (c) exercise all powers, under the limitations prescribed by law, necessary and convenient to carry out
11 the purposes of 41-5-1803 and this section.

12 (3) Contracts authorized under subsection (1) must be made pursuant to the Interlocal Cooperation Act,
13 Title 7, chapter 11, part 1.

14 (4) Contracts between counties participating in a regional detention facility must:

15 (a) specify the responsibilities of each county participating in the agreement;

16 (b) designate responsibility for operation of the regional detention facility;

17 (c) specify the amount of funding to be contributed by each county toward payment of the cost of
18 establishing, operating, and maintaining the regional detention facility, including the necessary expenditures for
19 the transportation of youth to and from the facility;

20 (d) include the applicable per diem charge for the detention of youths in the facility, as well as the basis
21 for any adjustment in the charge; and

22 (e) specify the number of beds to be reserved for the use of each county participating in the regional
23 detention facility."

24

25 **Section 194.** Section 50-2-111, MCA, is amended to read:

26 **"50-2-111. City-county board appropriations.** If a city-county board is created, it is financed by one
27 of the following methods:

28 (1) (a) The county commissioners and governing body of each participating city may mutually agree upon
29 the division of expenses.

30 (b) The county's part of the total expenses is financed by an appropriation from the general fund of the

1 county after approval of a budget in the way provided for other county offices and departments under Title 7,
2 chapter 6, part 23.

3 (c) Each participating city's part of the total expenses is financed by an appropriation from the general
4 fund of the city after approval of a budget in the way provided for other city offices and departments under Title
5 7, chapter 6, part 42.

6 (d) All money must be deposited with the county treasurer who shall disburse the money as county
7 funds.

8 (2) (a) The county commissioners and governing body of each participating city may mutually agree upon
9 the division of the expenses.

10 (b) ~~The~~ Subject to [section 1], the county's part of the total expenses is financed by a special levy of not
11 more than 5 mills on the taxable valuation of all property outside the incorporated limits of each participating city
12 after approval of a budget in the way provided for other county offices and departments under Title 7, chapter 6,
13 part 23. If the 5-mill levy is not sufficient to fund the county's share, the county commissioners may supplement
14 it with an appropriation from the county general fund.

15 (c) ~~Each~~ Subject to [section 1], each participating city's part of the total expenses is financed by a special
16 levy of not more than 5 mills on the taxable valuation of all property within the incorporated limits of the city after
17 approval of a budget in the way provided for other city offices and departments under Title 7, chapter 6, part 42.

18 (d) All money must be deposited with the county treasurer who shall disburse the money as county
19 funds.

20 (e) The special levies authorized by this subsection are in addition to all other levies authorized by law."
21

22 **Section 195.** Section 50-2-114, MCA, is amended to read:

23 **"50-2-114. Special mill levy.** ~~If~~ Subject to [section 1], if the general fund of a city or county is not
24 sufficient to meet the approved budget, a levy of not more than 1 mill may be made on the taxable valuation of
25 all property in the city or county in addition to all other levies authorized by law. This section does not apply when
26 the board has been financed under 50-2-111(2)."
27

28 **Section 196.** Section 53-2-322, MCA, is amended to read:

29 **"53-2-322. County to levy taxes, budget, and make expenditures for public assistance activities.**

30 (1) ~~The~~ Subject to [section 1], the board of county commissioners in each county shall levy 13.5 mills for the

1 county poor fund as provided by law or so much of that amount as may be necessary. The board may levy up
2 to an additional 12 mills if approved by the voters in the county. ~~A~~ Subject to [section 1], a county shall levy
3 sufficient mills to reimburse the state for any administrative or operational costs in excess of the administrative
4 and operational costs for the previous fiscal year. The department of public health and human services shall notify
5 the counties of the number of mills required to be levied. Once an additional levy has been approved, the amount
6 of the approved levy may continue to be levied without voter approval.

7 (2) The board shall budget and expend so much of the funds in the county poor fund for:

8 (a) public assistance as necessary to reimburse the department for the county's proportionate share of
9 the administrative costs and of all public assistance costs;

10 (b) salaries, travel expenses, and indirect costs, as provided in 52-1-110, of protective services
11 employees of the department; and

12 (c) the county's proportionate share of any other public assistance activity that may be carried on jointly
13 by the state and the county.

14 (3) The amounts set up in the budget for the reimbursements to the department must be sufficient to
15 make all of these reimbursements in full. The budget must make separate provision for each public assistance
16 activity and for salaries, travel expenses, and indirect costs for protective services activities of the department.
17 Proper accounts must be established for the funds for all the activities.

18 (4) The department shall submit to the counties, no later than May 10, the most current county
19 participation percentages that are necessary to establish preliminary county budgets. As soon as the county
20 proposed budget provided for in 7-6-2315 has been agreed upon, a copy must be mailed to the department, and
21 at any time before the final adoption of the budget, the department shall make recommendations with regard to
22 changes in any part of the budget relating to the county poor fund as considered necessary in order to enable
23 the county to discharge its obligations under the public assistance laws.

24 (5) The department shall promptly examine the county proposed budget in order to ascertain if the
25 amounts provided for reimbursements to the department are likely to be sufficient and shall notify the county clerk
26 of its findings. The board shall make changes in the amounts provided for reimbursements, if any are required,
27 in order that the county will be able to make the reimbursements in full.

28 (6) The board of county commissioners may not make any transfer from the amounts budgeted for
29 reimbursing the department without having first obtained a statement in writing from the department to the effect
30 that the amount to be transferred will not be required during the fiscal year for the purposes for which the amounts

1 were provided in the budget.

2 (7) The county poor fund, irrespective of the source of any part of the fund, may not be used directly or
 3 indirectly for the erection or improvement of any county building ~~so~~ as long as the fund is needed for paying the
 4 county's proportionate share of public assistance and protective services, as described in 52-1-110, or its
 5 proportionate share of any other public assistance activity that may be carried on jointly by the state and the
 6 county. Expenditures for improvement of any county buildings used directly for care of the poor, except a county
 7 hospital or county nursing home, may be made out of money in the county poor fund, whether the money was
 8 produced by the mill levy provided for in subsection (1) or from any additional levy authorized by law. The
 9 expenditure may be authorized only when any county building used for the care of the poor must be improved
 10 in order to meet legal standards required for the building by the department and when the expenditure has been
 11 approved by the department.

12 (8) Money in the county poor fund may be used as matching funds for the receipt of federal money."
 13

14 **Section 197.** Section 53-2-813, MCA, is amended to read:

15 **"53-2-813. Mill levy for counties transferring public assistance and protective services.** (1) For the
 16 purpose of this part and subject to [section 1], 9 mills must be levied annually in those counties opting for state
 17 assumption.

18 (2) For a county electing state assumption, the proceeds of the mill levy established in subsection (1)
 19 must be deposited in the state special revenue fund in the state treasury to the credit of the department of public
 20 health and human services."
 21

22 **Section 198.** Section 53-20-208, MCA, is amended to read:

23 **"53-20-208. Contributions of counties and municipalities.** (1) The boards of county commissioners
 24 of the several counties and the governing bodies of municipalities of this state may, in their discretion, contribute
 25 to any developmental disabilities facility approved by the department, without regard to whether ~~they are~~ the
 26 facility is within or outside of their respective jurisdictions. ~~The~~ Subject to [section 1], the boards of county
 27 commissioners of the counties may levy a tax up to but not to exceed 1 mill on each dollar of taxable property
 28 within the county; ~~which shall be~~ The tax is in addition to all other county tax levies. All proceeds of the tax, if
 29 levied, ~~shall~~ must be used for the sole purpose of support of developmental disabilities services.

30 (2) For the purpose of carrying out the provisions of this section, boards of county commissioners and

1 governing bodies of municipalities may appropriate out of the general fund of their respective counties or
 2 municipalities."

3

4 **Section 199.** Section 67-10-402, MCA, is amended to read:

5 **"67-10-402. Tax levy.** (1) For Subject to [section 1] and for the purpose of establishing, constructing,
 6 equipping, maintaining, and operating airports, landing fields, and ports under the provisions of this chapter and
 7 as provided in Title 7, chapter 14, part 11, the county commissioners or the city or town council may each year
 8 assess and levy, in addition to the annual levy for general administrative purposes or the all-purpose levy
 9 authorized by 7-6-4451 and 7-6-4452, a tax on the dollar of taxable value of the property of said county, city, or
 10 town:

11 (a) not to exceed 2 mills for airports and landing fields; and

12 (b) not to exceed 2 mills for ports.

13 (2) In the event of a jointly established airport, landing field, or port, the county commissioners and the
 14 council or councils involved shall determine in advance the levy necessary for ~~such~~ those purposes and the
 15 proportion each political subdivision joining in the venture ~~must~~ is required to pay.

16 (3) ~~No property~~ Property within any political subdivision may not be subject to a tax pursuant to this
 17 section at an annual rate in excess of 2 mills for airports, landing fields, or ports unless it is found that the levy
 18 is insufficient for the purposes enumerated. In ~~such a~~ that case the commissioners and councils ~~acting~~ are
 19 authorized and empowered to contract an indebtedness on behalf of ~~such~~ the county, city, or town, ~~as the case~~
 20 ~~may be, upon the credit thereof~~ by borrowing money or issuing bonds for ~~such~~ those purposes, ~~provided that~~
 21 ~~no~~ However, bonds may not be issued for ~~such purpose~~ until the proposition has been submitted to the qualified
 22 electors and approved by a majority vote ~~east therefor~~, except as provided in subsection (4).

23 (4) For the purpose of establishing a reserve fund to resurface, overlay, or improve existing runways,
 24 taxiways, and ramps, the governing bodies may set up annual reserve funds in their annual budget if:

25 (a) the reserve is approved by the governing bodies during the normal budgeting procedure;

26 (b) the necessity to resurface or improve ~~said~~ runways by overlays or similar methods every so many
 27 years is based upon competent engineering estimates; and

28 (c) the funds are expended at least within each 10-year period.

29 (5) The reserve fund may not exceed at any time a competent engineering estimate of the cost of
 30 resurfacing or overlaying the existing runways, taxiways, and ramps of any one airport for each fund. The

1 governing body of the airport or port, if in its judgment it considers it advantageous, may invest the fund in any
 2 interest-bearing deposits in a state or national bank insured by the FDIC or obligations of the United States of
 3 America, either short-term or long-term. Interest earned from ~~such~~ the investments must be credited to the
 4 operations and maintenance budget of the airport or port governing body. ~~The above provisions, notwithstanding~~
 5 ~~other budget control measures and due~~ Due to the uniqueness of the subject matter, the provisions of this section
 6 are declared necessary in the interests of the public health and safety."

7
 8 **Section 200.** Section 67-11-201, MCA, is amended to read:

9 **"67-11-201. General powers of authority.** An authority ~~shall have~~ has all the powers necessary or
 10 convenient to carry out the purposes of this chapter, including, subject to [section 1], the power to certify annually
 11 to the governing bodies creating it the amount of tax to be levied by ~~said~~ the governing bodies for airport purposes
 12 and including but not limited to the power to:

13 (1) sue and be sued, have a seal, and have perpetual succession;

14 (2) execute ~~such~~ contracts and other instruments and take such other action as may be necessary or
 15 convenient to carry out the purposes of this chapter;

16 (3) plan, establish, acquire, develop, construct, purchase, enlarge, improve, maintain, equip, operate,
 17 regulate, and protect airports and air navigation facilities, within this state and within any adjoining state, including
 18 the acquisition, construction, installation, equipment, maintenance, and operation at ~~such~~ the airports or buildings
 19 and other facilities for the servicing of aircraft or for comfort and accommodation of air travelers and the purchase
 20 and sale of supplies, goods, and commodities ~~as~~ that are incident to the operation of its airport properties. For
 21 ~~such~~ the authorized purposes, an authority may, by purchase, gift, devise, lease, eminent domain proceedings,
 22 or otherwise, acquire property, real or personal, or any interest ~~therein~~ in property, including easements in airport
 23 hazards or land outside the boundaries of an airport or airport site, ~~as~~ that is necessary to permit the removal,
 24 elimination, obstruction-marking, or obstruction-lighting of airport hazards or to prevent the establishment of
 25 airport hazards.

26 (4) establish comprehensive airport zoning regulations in accordance with the laws of this state;

27 (5) acquire, by purchase, gift, devise, lease, eminent domain proceedings, or otherwise, existing airports
 28 and air navigation facilities; provided, however, an authority ~~shall~~ may not acquire or take over any airport or air
 29 navigation facility owned or controlled by another authority, a municipality, or public agency of this or any other
 30 state without the consent of ~~such~~ the authority, municipality, or public agency;

1 (6) establish or acquire and maintain airports in, over, and upon any public waters of this state; or any
 2 submerged lands under ~~such~~ public waters, provided that the authority has obtained the approval of the owner
 3 or agency that controls the water, and construct and maintain terminal buildings, landing floats, causeways,
 4 roadways, and bridges for approaches to or connecting with any ~~such~~ airport and landing floats and breakwaters
 5 for the protection ~~thereof~~ of the airport."

6
 7 **Section 201.** Section 67-11-301, MCA, is amended to read:

8 **"67-11-301. Municipal tax levy.** The airport authority may certify annually to the governing bodies the
 9 amount of tax to be levied by each municipality participating in the creation of the airport authority, and subject
 10 to [section 1], the municipality shall levy the amount certified, pursuant to provisions of law authorizing cities and
 11 other political subdivisions of this state to levy taxes for airport purposes. The levy ~~made shall~~ may not exceed
 12 the maximum levy permitted by the laws of this state for airport purposes or any ~~such~~ lower limit ~~as that~~ that may have
 13 been established by the municipality or municipalities in the resolution creating the authority. The municipality
 14 shall collect the taxes certified by an airport authority in the same manner as other taxes are levied and collected
 15 and make payment to the airport authority. The proceeds of ~~such~~ the taxes when and as paid to the airport
 16 authority ~~shall~~ must be deposited in a special account or accounts in which other ~~revenues~~ revenue of the
 17 authority are deposited and may be expended by the authority as provided for in this chapter. Prior to the
 18 issuance of bonds under 67-11-303, the airport authority or the municipality may by resolution covenant and
 19 agree that the total amount of ~~such~~ the taxes then authorized by law; or ~~such~~ the portion ~~thereof~~ of the taxes as
 20 may be specified by the resolution; will, subject to [section 1], be certified, levied, and deposited annually ~~as~~
 21 ~~herein provided~~ until the bonds and interest ~~thereon~~ are fully paid."

22
 23 **Section 202.** Section 67-11-302, MCA, is amended to read:

24 **"67-11-302. County tax levy.** ~~In~~ Subject to [section 1], in counties supporting airports or airport
 25 authorities, a levy as provided for in 67-10-402 may be made for ~~such~~ airport authority purposes."

26
 27 **Section 203.** Section 75-10-112, MCA, is amended to read:

28 **"75-10-112. Powers and duties of local government.** A local government may:

29 (1) plan, develop, and implement a solid waste management system consistent with the state's solid
 30 waste plan and propose modifications to the state's solid waste plan;

1 (2) upon adoption of the state plan by the board, pass an ordinance or resolution to exempt the local
2 jurisdiction from complying with the state plan and subsequent rules implementing the state plan. The ordinance
3 or resolution must include a means to provide solid waste disposal to the citizens of the jurisdiction as required
4 in part 2 of this chapter.

5 (3) employ appropriate personnel to carry out the provisions of this part;

6 (4) purchase, rent, or execute leasing agreements for equipment and material necessary for the
7 implementation of a solid waste management system;

8 (5) cooperate with and enter into agreements with any persons in order to implement an effective solid
9 waste management system;

10 (6) receive gifts, grants, or donations or acquire by gift, deed, or purchase land necessary for the
11 implementation of any provision of this part;

12 (7) enforce the rules of the department or a local board of health pertaining to solid waste management
13 through the appropriate county attorney;

14 (8) apply for and utilize state, federal, or other available money for developing or operating a solid waste
15 management system;

16 (9) borrow from any lending agency funds available for assistance in planning a solid waste management
17 system;

18 (10) subject to [section 1], finance a solid waste management system through the assessment of a tax
19 as authorized by state law;

20 (11) sell on an installment sales contract or lease to a person all or a portion of a solid waste
21 management system that the local government plans, designs, or constructs; for the consideration and upon the
22 terms established by the local governments and consistent with the loan requirements set forth in this part and
23 rules adopted to implement this part;

24 (12) procure insurance against any loss in connection with property, assets, or activities;

25 (13) mortgage or otherwise encumber all or a portion of a solid waste management system when the local
26 government finds that the action is necessary to implement the purposes of this part, as long as the action is
27 consistent with the loan requirements set forth in this part and rules adopted to implement this part;

28 (14) hold or dispose of real property and, subject to agreements with lessors and lessees, develop or alter
29 the property by making improvements or betterments for the purpose of enhancing the value and usefulness of
30 the property;

1 (15) finance, design, construct, own, and operate a solid waste management system or contract for any
2 or all of the powers authorized under this part;

3 (16) control the disposition of solid waste generated within the jurisdiction of a local government;

4 (17) enter into long-term contracts with local governments and private entities for:

5 (a) financing, designing, constructing, and operating a solid waste management system;

6 (b) marketing all raw or processed material recovered from solid waste;

7 (c) marketing energy products or byproducts resulting from processing or utilization of solid waste;

8 (18) finance an areawide solid waste management system through the use of any of the sources of
9 revenue available to the implementation entity for public works projects, by the use of revenue bonds issued by
10 the city or county, or by fees levied by a solid waste management district, whichever is appropriate;

11 (19) enter into interlocal agreements in order to achieve and implement the powers enumerated in this
12 part;

13 (20) regulate the siting and operation of container sites."
14

15 **Section 204.** Section 76-1-111, MCA, is amended to read:

16 **"76-1-111. Representation of county or additional cities or towns on existing boards.** (1) Any city,
17 county, or town or any combination ~~thereof~~ of cities, counties, or towns wishing to be represented upon an
18 existing planning board may, by agreement of the governing body or bodies then represented ~~upon~~ on the board,
19 obtain representation ~~thereon~~ on the board and share in the membership duties and costs of the board upon a
20 basis agreeable to the governing body or bodies creating the board.

21 (2) The membership as well as the jurisdictional area of any board may be increased to provide for
22 representation and planning of any additional cities, counties, or towns seeking representation.

23 (3) Any city, county, or town ~~which that~~ becomes represented upon an existing planning board pursuant
24 to this section may appropriate funds for expenses necessary to cover the costs of ~~such~~ representation. ~~The~~
25 Subject to [section 1], the governing bodies of any represented city or county so being represented may levy on
26 all property ~~which that~~ is added to the jurisdictional area of an existing board by ~~such~~ representation a tax for
27 planning board purposes under procedures set forth in Title 7, chapter 6, part 23 or part 42, whichever is
28 applicable; ~~provided such~~ The tax shall may not exceed the maximum levy authorized in 76-1-402 through
29 76-1-407."
30

1 **Section 205.** Section 76-1-403, MCA, is amended to read:

2 **"76-1-403. Tax levy by county for certain county planning districts authorized.** When a county
3 planning board has been established, the board of county commissioners may create a planning district ~~which~~
4 ~~shall that must~~ include ~~that the~~ property ~~which that~~ lies outside the limits of the jurisdictional area as established
5 pursuant to 76-1-504 through 76-1-507 or as modified pursuant to 76-1-501 through 76-1-503 in counties where
6 a city-county planning board has been established as well as that property ~~which that~~ lies outside the limits of any
7 incorporated cities and towns. ~~The Subject to [section 1], the~~ board of county commissioners may levy on all
8 property located within ~~such the~~ planning district a tax not to exceed the maximum levy authorized by 76-1-405
9 for planning board purposes, under procedures set forth in Title 7, chapter 6, part 23."

10

11 **Section 206.** Section 76-1-404, MCA, is amended to read:

12 **"76-1-404. Tax levy by county for city-county planning board authorized.** When a city-county
13 planning board has been established, the board of county commissioners may create a planning district ~~which~~
14 ~~shall that must~~ include ~~that the~~ property within the jurisdictional areas as established pursuant to 76-1-504
15 through 76-1-507 ~~which that~~ lies outside the limits of any incorporated cities and towns. ~~The Subject to [section~~
16 ~~1], the~~ board of county commissioners may levy on all property located within ~~such the~~ planning district a tax for
17 planning board purposes, under procedures set forth in Title 7, chapter 6, part 23, ~~provided such~~ The tax shall
18 may not exceed the maximum levy authorized in 76-1-405."

19

20 **Section 207.** Section 76-1-405, MCA, is amended to read:

21 **"76-1-405. Maximum county mill levy -- authorization for levy.** ~~The Subject to [section 1], the~~ tax levy
22 for planning board purposes ~~shall be~~ is further limited as follows:

23 (1) A county of the first class, as defined in 7-1-2111, may levy a tax not to exceed 2 mills.

24 (2) A county of the second class may levy a tax not to exceed 3 mills.

25 (3) A county of the third class may levy a tax not to exceed 4 mills.

26 (4) A county of the fourth class may levy a tax not to exceed 5 mills.

27 (5) Counties of the fifth, sixth, and seventh classes may levy a tax not to exceed 6 mills."

28

29 **Section 208.** Section 76-1-406, MCA, is amended to read:

30 **"76-1-406. Tax levy by municipalities authorized.** ~~The Subject to [section 1], the~~ governing body of

1 any city or town represented ~~upon~~ on a planning board may levy a tax upon the property located within ~~such~~ the
 2 city or town for planning board purposes, under procedures set forth in Title 7, chapter 6, part 42, ~~provided such~~
 3 The tax shall may not exceed the maximum levy authorized in 76-1-407."

4

5 **Section 209.** Section 76-1-407, MCA, is amended to read:

6 **"76-1-407. Maximum city mill levy.** ~~The Subject to [section 1], the~~ tax levy for planning board purposes
 7 ~~shall be~~ is further limited as follows:

8 (1) A city of the first class, as defined in 7-1-4111, may levy a tax not to exceed 2 mills.

9 (2) A city of the second class may levy a tax not to exceed 4 mills.

10 (3) A city of the third class may levy a tax not to exceed 6 mills.

11 (4) A town may levy a tax not to exceed 6 mills."

12

13 **Section 210.** Section 76-2-102, MCA, is amended to read:

14 **"76-2-102. Organization and operation of commission.** (1) The planning and zoning commission ~~is~~
 15 ~~to consist~~ consists of the three county commissioners, the county surveyor, and a county official appointed by
 16 the county commissioners. Members of the commission shall serve without compensation other than
 17 reimbursement for ~~duly~~ authorized expenses and must be residents of the county in which they serve.

18 (2) The commission may appoint necessary employees and fix their compensation with the approval of
 19 the board of county commissioners, select a presiding officer to serve for 1 year, appoint a secretary to keep
 20 permanent and complete records of its proceedings, and adopt rules governing the transaction of its business.

21 (3) ~~The Subject to [section 1], the~~ finances necessary for the transaction of the planning and zoning
 22 commission's business and to pay the expenses of the employees and justified expenses of the members of the
 23 board must be paid from a levy of not to exceed 1 mill on the taxable valuation of the real property within the
 24 district."

25

26 **Section 211.** Section 76-5-1116, MCA, is amended to read:

27 **"76-5-1116. Determination of fees and charges.** (1) In fixing ~~such~~ the rate, fee, toll, or rent for water
 28 furnished for household use, domestic use, irrigation use, industrial use, and municipal use and for water used
 29 for streamflow stabilization, the governing body shall charge a fee sufficient to pay the proportionate share of the
 30 repairs, maintenance, and operating expenses as ~~such~~ the use bears in economic value to the total economic

1 value of the total use of ~~said~~ the facilities of the project or projects. The economic value is to be determined by
2 the governing body.

3 (2) For the benefits received by areas within the boundaries of the project or projects for flood prevention,
4 flood control, and pollution abatement, the governing body shall determine a reasonable valuation or charge,
5 ~~which~~ The valuation or charge ~~shall~~ must be certified by ~~them~~ the governing body to the county commissioners
6 prior to the time general taxes are levied and assessed. ~~It shall be the obligation of Subject to [section 1], the~~ the
7 county commissioners ~~to shall~~ levy a special assessment as provided for in 76-5-1113 and 76-5-1114 against
8 ~~such~~ the area or areas sufficient to provide ~~revenues~~ revenue for the repairs, maintenance, and operating
9 expenses of the project.

10 (3) For recreation use the governing body shall first determine the share of the costs of operation,
11 repairs, and depreciation to be charged against ~~such~~ recreation uses and from this figure shall subtract the
12 estimated amount of fees and tolls collected for ~~such~~ recreation uses. The deficiency, if any, ~~shall~~ must be
13 certified to the county commissioners ~~in the same way as the charges for flood prevention, flood control, etc., and~~
14 subject to [section 1], special assessments shall must be levied by the county commissioners in the manner ~~set~~
15 out herein provided in this section."

16

17 **Section 212.** Section 76-6-109, MCA, is amended to read:

18 **"76-6-109. Powers of public bodies.** (1) A public body ~~shall have~~ has all the powers necessary or
19 convenient to carry out the purposes and provisions of this chapter, including the following powers in addition to
20 others granted by this chapter:

21 (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;

22 (b) to advance or accept advances of public funds;

23 (c) to apply for and accept and utilize grants and any other assistance from the federal government and
24 any other public or private sources, to give ~~such~~ security as may be required, to enter into and carry out contracts
25 or agreements in connection with the assistance, and to include in any contract for assistance from the federal
26 government ~~such~~ conditions imposed pursuant to federal laws as the public body may ~~deem~~ consider reasonable
27 and appropriate and ~~which~~ that are not inconsistent with the purposes of this chapter;

28 (d) to make and execute contracts and other instruments necessary or convenient to the exercise of its
29 powers under this chapter;

30 (e) in connection with the real property acquired or designated for the purposes of this chapter, to provide

1 or to arrange or contract for the provision, construction, maintenance, operation, or repair by any person or
 2 agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities or
 3 structures that may be necessary to the provision, preservation, maintenance, and management of the property
 4 as open-space land;

5 (f) to insure or provide for the insurance of any real or personal property or operations of the public body
 6 against any risks or hazards, including the power to pay premiums on the insurance;

7 (g) to demolish or dispose of any structures or facilities ~~which~~ that may be detrimental to or inconsistent
 8 with the use of real property as open-space land; and

9 (h) to exercise any or all of its functions and powers under this chapter jointly or cooperatively with public
 10 bodies of one or more states, if they are ~~se~~ authorized by state law, and with one or more public bodies of this
 11 state and to enter into agreements for joint or cooperative action.

12 (2) For the purposes of this chapter, the state or a city, town, other municipality, or county may:

13 (a) appropriate funds;

14 (b) subject to [section 1], levy taxes and assessments according to existing codes and statutes not to
 15 exceed 1 mill;

16 (c) issue and sell its general obligation bonds in the manner and within the limitations prescribed by the
 17 applicable laws of the state; and

18 (d) exercise its powers under this chapter through a board or commission or through ~~such~~ the office or
 19 officers ~~as~~ that its governing body by resolution determines or as the governor determines in the case of the
 20 state."

21

22 **Section 213.** Section 76-15-501, MCA, is amended to read:

23 **"76-15-501. Financial management.** A conservation district and the supervisors ~~thereof~~ shall of the
 24 district have the power to:

25 (1) borrow money and incur indebtedness and issue bonds or other evidence of ~~such~~ indebtedness;

26 (2) also refund or retire an indebtedness or lien that may exist against the district or property ~~thereof~~ of
 27 the district;

28 (3) fix and revise as necessary and collect rates, fees, tolls, rents, or other charges for the use of or for
 29 services, facilities, and materials furnished or provided, and ~~revenues~~ revenue from these sources may be
 30 expended in carrying out the purposes and provisions of this chapter;

1 (4) subject to [section 1], cause taxes to be levied in the same manner provided for in this part for the
2 purpose of paying any obligation of the district and to accomplish the purposes of this chapter in the manner
3 herein provided in this chapter;

4 (5) apply for and receive federal revenue sharing funds in order to carry out the purposes and provisions
5 of this chapter;

6 (6) establish a conservation practice loan program as provided in this part."
7

8 **Section 214.** Section 76-15-505, MCA, is amended to read:

9 **"76-15-505. Authorization to borrow money -- limitations.** (1) If, after the levy of the annual
10 assessments for the current year, the board of supervisors finds that, because of some unusual or unforeseen
11 cause, funds raised through the collection of the assessments and from other sources will not be sufficient for
12 the proper maintenance and operation of the district and the works in the district, the board of supervisors may:

13 (a) borrow additional funds needed to an amount not to exceed 50 cents per acre for the lands within
14 the district and may pledge the credit of the district for the payment of the funds; or

15 (b) request the county commissioners to issue and register warrants in anticipation of further collections.

16 (2) ~~The~~ Subject to [section 1], the board of supervisors shall include in the levy for the ensuing year the
17 amount required to pay the loan or to retire the warrants. The warrants may not exceed 90% of the assessment
18 for the year."
19

20 **Section 215.** Section 76-15-516, MCA, is amended to read:

21 **"76-15-516. Levy of regular and special assessments.** (1) ~~The~~ Subject to [section 1], the board of
22 county commissioners of each county in which any portion of the district lies may, annually at the time of levying
23 county taxes, levy an assessment on the taxable real property within the district. The levy must be known as the
24 "... (name of district) conservation district regular assessment" and must be sufficient to raise the amount
25 reported to the county commissioners in the estimate of the supervisors.

26 (2) Subject to the conditions of [section 1], 76-15-531, and 76-15-532, the board of county
27 commissioners of each county in which any portion of the district lies may, annually at the time of levying county
28 taxes, levy an assessment on the taxable real property within the district. The levy must be known as the "...
29 (name of district) conservation district special administrative assessment" and must be sufficient to raise the
30 amount reported to the county commissioners in the estimate of the supervisors.

1 (3) ~~The~~ Subject to [section 1], the board of county commissioners of each county in which any portion
 2 of a project area lies may, annually at the time of levying county taxes, levy an assessment not to exceed 3 mills
 3 on the taxable real property within the project area. The levy must be known as ".... (name of the project area)
 4 special assessment" and must be sufficient to raise the amount reported to the county commissioners in the
 5 estimate of the supervisors."

6
 7 **Section 216.** Section 76-15-518, MCA, is amended to read:

8 **"76-15-518. Certification of assessment to department of revenue -- entry on property tax record.**

9 ~~The~~ Subject to [section 1], the board of county commissioners of each county in which any portion of the district
 10 is situated may levy the assessment provided in ~~this part or part 6 or this part.~~ The assessment must be certified
 11 to the department of revenue and entered on the property tax record of each county."

12
 13 **Section 217.** Section 76-15-623, MCA, is amended to read:

14 **"76-15-623. Administration of special assessment.** (1) ~~When~~ Subject to [section 1], when the board
 15 or boards of supervisors have determined that a special assessment is necessary, the board of county
 16 commissioners of ~~such~~ the county in which there lies any portion of a project area shall annually at the time of
 17 levying county taxes levy a special assessment of the taxable real property in the project area, not to exceed 3
 18 mills. ~~It shall~~ The levy must be known as the "....(name of district) soil and water conservation district special
 19 assessment" and ~~shall~~ must be sufficient to raise the income reported to it in the estimate of the supervisors.

20 (2) Each lot or parcel of land to be assessed ~~shall~~ must be assessed with that part of the amount of
 21 money required ~~which~~ that its taxable valuation bears to the total taxable valuation of all the lands to be
 22 assessed."

23
 24 ~~**Section 215.** Section 80-2-203, MCA, is amended to read:~~

25 ~~**"80-2-203. Participation in program -- tax fee.** (1) A taxpayer or an association of taxpayers engaged
 26 in the growing of crops other than those specified in this part or other agricultural or horticultural products subject
 27 to injury or destruction by hail may, by individual or joint election filed with and approved by the board of hail
 28 insurance, accept the provisions of this part and elect to become subject to this part. The risks may be classified
 29 by the board, and suitable levies may be imposed as agreed upon by the board and the taxpayers. The taxpayers
 30 are entitled to the benefits and protection afforded by the insurance provisions of this part.~~

1 ~~———— (2) Each farmer taxpayer who signifies a desire to become subject to the provisions of this part shall file~~
 2 ~~with the department of revenue the properly filled out form not later than August 15. The taxpayer is chargeable~~
 3 ~~with the tax fee provided for on lands growing crops subject to injury or destruction by hail and shall share in the~~
 4 ~~protection and benefits under the hail insurance provisions of this part. The application for hail insurance is in full~~
 5 ~~force and effect at 12:01 a.m. the day immediately following the acceptance of the application by the department~~
 6 ~~of revenue.~~

7 ~~———— (3) This part may not be construed to empower anyone except the actual owner of the land to make the~~
 8 ~~land subject to the hail tax fee provided in this part."~~

9
 10 ~~———— **Section 216.** Section 80-2-204, MCA, is amended to read:~~

11 ~~———— **"80-2-204. Duty of department of revenue -- election of benefits of law.** The department of revenue~~
 12 ~~shall upon request explain to each taxpayer engaged in the growing of crops subject to injury or destruction by~~
 13 ~~hail the provisions of this part. The department of revenue shall issue hail insurance policies to each taxpayer~~
 14 ~~who desires to become subject to this part, to become liable for the tax levies fees provided in this part, and to~~
 15 ~~be eligible for the benefits and protection of this part. A taxpayer who elects to become subject to this part is liable~~
 16 ~~for the taxes fees levied for hail insurance and shall participate in the benefits and protection afforded by this part.~~
 17 ~~Either the owners of lands worked by others under lease or contract may make the election for hail insurance or~~
 18 ~~the lessee of the land may tender payment of the tax levied fee for hail insurance to protect the lessee's crops,~~
 19 ~~in cash, to the officer authorized to receive payment."~~

20
 21 ~~———— **Section 217.** Section 80-2-205, MCA, is amended to read:~~

22 ~~———— **"80-2-205. What crops subject to provisions of law.** The crops grown on the lands of all taxpayers~~
 23 ~~who shall elect to become subject to this part shall must be insured under the provisions of this part for the~~
 24 ~~acreage and the kind of crop for which taxes fees for hail insurance will have been levied, which The insurance~~
 25 ~~shall be is provided for, determined, and adjusted and paid for as provided by this part."~~

26
 27 ~~———— **Section 218.** Section 80-2-207, MCA, is amended to read:~~

28 ~~———— **"80-2-207. Delinquent taxes -- application by delinquent -- crop lien.** (1) An owner of land who has~~
 29 ~~more than 1 year's delinquent taxes on the land may not be allowed hail insurance under the provisions of this~~
 30 ~~part, unless the owner's application is accompanied by a cash payment for the amount that would be due on the~~

1 application in the event of a maximum levy for that year.

2 ~~———(2) Any grain grower unable to secure state hail insurance under the provisions of this part because of~~
 3 ~~delinquent taxes or for other reasons may make application to the department of revenue, and the department~~
 4 ~~of revenue may receive and accept the applications when the applicant furnishes a sufficient crop lien that is~~
 5 ~~subject only to a seed lien. The crop lien may be accepted only under rules and requirements that may be~~
 6 ~~prescribed by the board of hail insurance and under the provision that the board may cancel any hail insurance~~
 7 ~~accepted in violation of the rules and requirements. Upon receipt of the application, the department of revenue~~
 8 ~~shall make a record of the application and shall file the original in the office of the clerk and recorder of the county.~~
 9 ~~The department of revenue shall also cause an assessment for the proper amount of the fee to be made on the~~
 10 ~~property tax record in the same manner provided for in the case of other special levies or assessments.~~

11 ~~———(3) A tenant who has delinquent hail insurance that was secured by a crop lien only and not secured by~~
 12 ~~real estate may not be allowed another policy in any succeeding year until the delinquent account or accounts~~
 13 ~~are paid or until the tenant pays cash for the current hail insurance.~~

14 ~~———(4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as provided by~~
 15 ~~the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons for requesting a~~
 16 ~~reduction are approved by the board, the board may reduce the charge to not less than one-half the original~~
 17 ~~amount charged."~~

18

19 ~~———**Section 219.** Section 80-2-221, MCA, is amended to read:~~

20 ~~———"80-2-221. **Tax Fee for hail insurance.** (1) A tax is hereby authorized and directed to fee may be levied~~
 21 ~~on all lands in this state growing crops subject to injury or destruction by hail, the owners of which have elected~~
 22 ~~to become subject to the provisions of this part.~~

23 ~~———(2) The board of hail insurance shall annually estimate, as accurately as possible, the amount required~~
 24 ~~to pay all losses, interest on warrants, and costs of administration and shall recommend a levy fees to be made~~
 25 ~~assessed on each kind of land respectively, subject to the provisions of this part, to the department of revenue.~~
 26 ~~The rates recommended to apply on the lands of owners shall must be applied in the same proportions to the~~
 27 ~~crops of those insured on a personal assessment basis."~~

28

29 ~~———**Section 220.** Section 80-2-222, MCA, is amended to read:~~

30 ~~———"80-2-222. **Board to establish amount of levy fee -- disposition of funds.** (1) The board of hail~~

1 insurance may, when it considers it advisable, establish as many districts as it considers advisable and may
2 maintain maximum rates in various parts of the state, which rates must be commensurate with the risk incurred
3 as nearly as it can determine from past experiences or from any records available.

4 ~~————(2) Notice of the various rates established for any year must be plainly printed on the application for hail
5 insurance, and the rates for the year must be determined and levied by the board of hail insurance for each of
6 the various districts as established, in such proportions as will in its judgment be fair and equitable.~~

7 ~~————(3) The board of hail insurance has authority to accept and expend all funds received by it, including
8 amounts repaid as principal and interest on investments. The funds are statutorily appropriated, as provided in
9 17-7-502, to the board of hail insurance for the purposes of this chapter. Expenditures for actual and necessary
10 expenses required for the efficient administration of this part must be made from temporary appropriations, as
11 described in 17-7-501(1) or (2), made for that purpose.~~

12 ~~————(4) In making the levy fee assessment provided in this section and 80-2-223, the board of hail insurance
13 shall provide for:~~

14 ~~————(a) the payment of all expenses of administration, together with all interest owed or to be owing on
15 registered warrants;~~

16 ~~————(b) that portion of the losses incurred during the current year that are not paid from funds drawn from
17 the reserve;~~

18 ~~————(c) the maintenance of the reserve, a part or all of which may be used in any one 1 year for the purpose
19 of paying the costs of administration, interest on the warrants, and losses as settled and adjusted by the board,
20 including the losses sustained in any prior year or years under the hail insurance law that have not been paid.~~

21 ~~————(5) If at the end of any hail insurance season the board determines that more funds are accumulating
22 from the current year's levies than were estimated when the levy fee assessment was made and are in excess
23 of the need for the payment of losses and expenses and maintenance of the reserve, the board may, at its
24 discretion, refund the excess to the farmers insured for the year, on a pro rata or percentage basis.~~

25 ~~————(6) The board of hail insurance may direct the board of investments to invest funds from the enterprise
26 fund pursuant to the provisions of the unified investment program for state funds. The income from the
27 investments must be credited to the board of hail insurance account in the enterprise fund."~~

28
29 ~~————**Section 221.** Section 80-2-223, MCA, is amended to read:~~

30 ~~————**"80-2-223. Levy Fee assessment by department of revenue.** The department of revenue shall~~

1 ~~prescribe such levies fee assessments annually to be made against lands growing crops subject to injury or~~
 2 ~~destruction by hail which that are subject to this part in accordance with the recommendation of the board of hail~~
 3 ~~insurance."~~

4
 5 ~~———— **Section 222.** Section 80-2-225, MCA, is amended to read:~~

6 ~~———— **"80-2-225. Real estate lien -- creation.** The tax levies fee assessments imposed pursuant to this part~~
 7 ~~are chargeable to the lands of each taxpayer who elects to become subject to this part and must be entered in~~
 8 ~~the property tax record and collected by the officers charged with such those duties in the manner and form as~~
 9 ~~are other property taxes. If the levies fee assessments are not paid, they are a lien on the lands against which~~
 10 ~~they are levied in the same manner as are other property taxes."~~

11
 12 ~~———— **Section 223.** Section 80-2-226, MCA, is amended to read:~~

13 ~~———— **"80-2-226. Crop lien -- when created -- assessment.** (1) In addition to the lien created in 80-2-225 on~~
 14 ~~the land of the insured, the levy fee assessment for such hail insurance shall constitute constitutes a lien on the~~
 15 ~~crops insured with the exception that the crop lien may not apply to owners of unencumbered land or to the land~~
 16 ~~or crops of those who pay cash for hail insurance. The applications of these persons may not be filed with the~~
 17 ~~county clerk and recorded as provided for in 80-2-207. The crop lien shall must be included in all applications for~~
 18 ~~hail insurance, with the above exceptions provided in this part, and shall must be enforced as provided in~~
 19 ~~80-2-230 and 80-2-231 against all insured except those owning unencumbered land or those who have paid cash~~
 20 ~~for hail insurance.~~

21 ~~———— (2) All applicants securing hail insurance on crop liens as heretofore provided shall be in this section are~~
 22 ~~subject to the same charges per acre as provided herein in this part to be made on land."~~

23
 24 ~~———— **Section 224.** Section 80-2-228, MCA, is amended to read:~~

25 ~~———— **"80-2-228. Reserve fund.** (1) Each year when the hail board makes its annual levy fee assessment for~~
 26 ~~the payment of current losses, expenses of administration, and for an addition to the reserve if conditions permit,~~
 27 ~~it may not increase the levy fee enough in any year so that the addition to the reserve will exceed 5% of the~~
 28 ~~maximum risk written for that year.~~

29 ~~———— (2) The board may engage the services of a qualified actuary to conduct an actuarial valuation of the~~
 30 ~~reserve. This valuation shall must include the actuary's determination of the amount of reserve necessary to~~

1 absorb all reasonably anticipated catastrophic losses. This amount is the maximum permissible reserve fund for
2 the next year.

3 ~~———(3) The reserve must be deposited in an enterprise fund.~~

4 ~~———(4) The board may not draw on the reserve for any purpose unless the amount required for the payment
5 of losses for the current year, including interest on warrants and costs of administration, exceeds the amount of
6 the estimate made by the board for the current year pursuant to 80-2-221."~~

7

8 ~~———Section 225. Section 80-2-229, MCA, is amended to read:~~

9 ~~———"80-2-229. Withdrawal of crop in case of destruction through other means. When any crop insured
10 under this part shall have been is destroyed by any other cause than hail, the applicant may, by furnishing the
11 proof required by the board of hail insurance, cause the crop to be withdrawn from the regular levy fee
12 assessment of the board for the current year. Such proof shall Proof must be submitted to the board of hail
13 insurance in accordance with its rules. Said The rules shall must be plainly printed on the applications and
14 policies issued by the department. They shall The rules must provide that the cost for such the withdrawn
15 insurance shall must be varied as nearly as practical according to the time the insurance is in force and according
16 to the risk carried."~~

17

18 ~~———Section 226. Section 80-2-230, MCA, is amended to read:~~

19 ~~———"80-2-230. Collection of levies fee assessments -- release of lien. (1) The county treasurer in each
20 county in the state shall collect all levies fee assessments made under this part in the same manner as other
21 property taxes are collected and shall keep all moneys money collected by him or for him for hail insurance in
22 a separate fund to be known as the hail insurance fund, and The county treasurer shall remit the same money
23 to the state treasurer in the same manner as provided by law for the remittance of other moneys money due to
24 the state. All county treasurers shall use due diligence in making the collections of the levies fees provided herein
25 for in this part. Also the The board may furnish assistance needed at any time in making collections or may take
26 over the collection of any levy fee at any time, depositing any collections therefrom with the treasurer of the
27 county where the levy therefor fee assessment was made.~~

28 ~~———(2) All hail insurance levies fee assessments, whether levied imposed against land or in the form of
29 special assessments secured by crop liens, shall be are payable in full and not in semiannual payments on or
30 before November 30 of each year in which such levies fee assessments are made.~~

1 ~~_____ (3) Whenever the amount due on any hail insurance secured by a crop lien is paid, the treasurer shall~~
 2 ~~promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid thereon with~~
 3 ~~the date of payment and such the endorsement shall be is a satisfaction and release of such the lien."~~

4
 5 ~~_____ **Section 227.** Section 80-2-232, MCA, is amended to read:~~

6 ~~_____ **"80-2-232. State treasurer's duty -- warrants -- transfers to county and state general fund.** (1) The~~
 7 ~~state treasurer shall receive all money paid under this part and shall place the money in trust for the hail~~
 8 ~~insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the~~
 9 ~~enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must~~
 10 ~~be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the~~
 11 ~~warrants, the warrants must be registered and bear interest at the rate of 4% per annum year until called for~~
 12 ~~payment by the state treasurer.~~

13 ~~_____ (2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise~~
 14 ~~fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual~~
 15 ~~levies fee assessments made and collected in that county under this part for the use of the county as the board~~
 16 ~~of county commissioners may determine.~~

17 ~~_____ (3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of the~~
 18 ~~board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual levies fee~~
 19 ~~assessments made and collected in the state of Montana."~~

20
 21 ~~_____ **Section 228.** Section 80-2-244, MCA, is amended to read:~~

22 ~~_____ **"80-2-244. Payment of losses.** (1) The board of hail insurance shall, as soon as practicable after the~~
 23 ~~loss has been sustained, arrange for the payment of the loss in the following manner. From the amount of the~~
 24 ~~loss as adjusted for each claimant, the board shall deduct the amount the claimant then owes as delinquent hail~~
 25 ~~insurance tax fees and the maximum amount assessed as hail insurance tax fees for the current year.~~

26 ~~_____ (2) The board shall on or before November 1 order payment for the amount so deducted, which The~~
 27 ~~payment shall must be remitted to the county treasurer of the county in which the tax fee was assessed. The~~
 28 ~~board shall then order payment for the balance of the adjustment to be sent to the claimant, provided that in no~~
 29 ~~case may the payment for loss may not exceed \$24 per acre for grain crops on nonirrigated lands, and \$48 per~~
 30 ~~acre on irrigated lands. No A claimant may not receive payment for any loss incurred where if the loss does not~~

1 equal or exceed 5% of the total value of the crop insured. If the losses in any year exceed the current levy fee
 2 assessments plus the reserve, if any, then the payment of all losses shall must be prorated, share and share
 3 alike, among all grain growers having loss claims adjusted and approved, and the The unpaid balance of the
 4 losses shall must be paid out of the reserve without interest in such the order as that the board directs, when in
 5 the judgment of the board there are is sufficient moneys money to provide for the payment of the same losses
 6 and other items payable out of the reserve. In any year the board may by resolution authorize its chairman
 7 presiding officer and secretary to borrow as needed from any person, bank, or corporation such sum or sums of
 8 money as that the board may consider necessary for the purpose of paying all warrants as issued.

9 ——— (3) For any moneys money borrowed under the provisions of this part, the board shall cause warrants
 10 to be drawn. The warrants shall must bear interest at not to exceed 6% a year, and the warrants and the interest
 11 thereon shall on the warrants must be paid out of funds from the state hail insurance program as they are
 12 collected from the various counties in the state. The board may not at any time borrow a total sum greater than
 13 the amount of levies as made for taxes fee assessments for the current year together with such any delinquent
 14 taxes as fee assessments that remain unpaid on the books of the county treasurer."

15
 16 ——— **Section 229.** Section 80-11-206, MCA, is amended to read:

17 ——— **"80-11-206. Maximum annual assessment on wheat and barley grown, delivered, or stored.** (1)
 18 There Subject to [section 1], there is an annual assessment of not more than 10 mills per bushel on all wheat and
 19 not more than 15 mills per hundredweight on all barley grown, delivered, or stored in the state of Montana and
 20 sold through commercial channels:

21 ——— (2) The assessment is levied and imposed:

22 ——— (a) in the case of a sale of wheat or barley, at the time of first sale of any wheat or barley by a seller, and
 23 must be collected by the first purchaser of the wheat or barley from the seller at the time of each settlement for
 24 wheat or barley purchased;

25 ——— (b) in the case of a pledge or mortgage of wheat or barley as security for a loan under any federal price
 26 support program other than the commodity credit corporation, and must be collected by deducting the amount
 27 of the assessment from the proceeds of the loan at the time the loan is made by the agency or person making
 28 the loan; or

29 ——— (c) in the case of wheat or barley pledged under the federal commodity credit corporation, and the
 30 assessment must be collected at the time of purchase, not at the time a lease or loan is made under the program.

1 ~~———(3) The assessment levied under the provisions of this part must be deducted and collected as provided~~
 2 ~~by this part, whether the wheat or barley is stored in this or any other state. The assessment attaches to each~~
 3 ~~transaction, but a seller is not subject to assessment more than once irrespective of the number of times the~~
 4 ~~wheat or barley is the subject of a sale, pledge, mortgage, or other transaction. The assessment is imposed and~~
 5 ~~attaches on the initial sale, pledge, mortgage, or other transaction in which the wheat or barley seller parts with~~
 6 ~~title to the wheat or barley or creates some interest in the wheat or barley in a pledgee, mortgagee, or other~~
 7 ~~person."~~

8
 9 ~~———Section 230. Section 81-6-104, MCA, is amended to read:~~

10 ~~———"81-6-104. Tax levy -- special fund. The county livestock protective committee may recommend to the~~
 11 ~~board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle 9~~
 12 ~~months of age or older in the county on January 1, and subject to [section 1], the board of county commissioners~~
 13 ~~shall thereupon be empowered to levy such the tax, to The tax must be collected in the same manner as other~~
 14 ~~taxes on personal property and when collected to must be deposited by the county treasurer in a special fund~~
 15 ~~to be known as the stockmen's stockowner's special deputy fund, together with any other Other funds made~~
 16 ~~available from county, state, federal, or private sources for the purposes of this part must be deposited in the~~
 17 ~~fund."~~

18
 19 ~~———Section 231. Section 81-6-204, MCA, is amended to read:~~

20 ~~———"81-6-204. Tax levy -- deposit of proceeds. The district cattle protective committee may recommend~~
 21 ~~to the board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle~~
 22 ~~9 months of age or older in the district on January 1, and Subject to [section 1], the board of county~~
 23 ~~commissioners shall thereupon be empowered to levy such the tax, to be collected as other taxes on personal~~
 24 ~~property, and when collected to The tax proceeds must be deposited in the county treasury of one of the counties~~
 25 ~~in the district, to be selected by the district cattle protective committee, in a special fund to be known as the~~
 26 ~~stockmen's stockowner's special deputy fund, together with any other funds made available from county, state,~~
 27 ~~federal, or private sources for the purposes of this part."~~

28
 29 ~~———Section 232. Section 81-6-209, MCA, is amended to read:~~

30 ~~———"81-6-209. Tax levy -- deposit of proceeds. The district cattle protective committee may recommend~~

1 to the board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle
 2 9 months of age or older in the district on January 1, and ~~Subject to [section 1],~~ the board of county
 3 commissioners shall thereupon be empowered to levy such ~~the tax,~~ to ~~The tax must be collected in the same~~
 4 ~~manner as other taxes on personal property,~~ and when collected to ~~The tax proceeds must be deposited in the~~
 5 county treasury in a special fund to be known as the stockmen's ~~stockowner's~~ special deputy fund, together with
 6 any other ~~Other~~ funds made available from county, state, federal, or private sources for the purposes of this part
 7 ~~must also be deposited in the fund."~~

8
 9 ~~Section 233.~~ Section 81-7-118, MCA, is amended to read:

10 ~~"81-7-118. (Temporary) Levy of tax for purpose of paying bounty claims -- limitation on levy.~~ The
 11 ~~Subject to [section 1],~~ the department of revenue shall annually prescribe the levy recommended by the
 12 department to be made against livestock of all classes for paying for the destruction of wild animals killed in this
 13 state. The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock. The money received
 14 must ~~may~~ be used only for the payment of claims approved by the department for the destruction of wild animals
 15 and for the administration of 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122. The money received
 16 for the taxes levied must be sent annually with other taxes to the state treasurer by the county treasurer of each
 17 county. When the money is received by the state treasurer, it must be placed in the state special revenue fund
 18 and may then be paid out on claims approved under the law governing the payment of claims.

19 ~~81-7-118. (Effective on occurrence of contingency) Levy of tax for purpose of paying bounty~~
 20 ~~claims -- limitation on levy.~~ The ~~Subject to [section 1],~~ the department of revenue shall annually prescribe the
 21 levy recommended by the department to be made against livestock of all classes for paying for the destruction
 22 of predatory animals killed in this state. The tax in any 1 year may not exceed 7.5 mills on the taxable value of
 23 the livestock. The money received must ~~may~~ be used only for the payment of claims approved by the department
 24 for the destruction of predatory animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120
 25 through 81-7-122. The money received for the taxes levied must be sent annually with other taxes to the state
 26 treasurer by the county treasurer of each county. When the money is received by the state treasurer, it must be
 27 placed in the state special revenue fund and may then be paid out on claims approved under the law governing
 28 the payment of claims."

29
 30 ~~Section 234.~~ Section 81-7-201, MCA, is amended to read:

1 ~~—————"81-7-201. County levy for bounties on predatory animals. Whenever the The owners, agent, or~~
 2 ~~agents of the owners representing 51% of the livestock of any county in this state may present a petition to the~~
 3 ~~board of county commissioners of such a county asking for the levy of a tax upon the livestock of the county for~~
 4 ~~the purpose of paying bounties on predatory animals killed in the county, it is the duty of Subject to [section 1],~~
 5 ~~the board of county commissioners to shall make the levy, which The levy may not exceed 50 mills on the dollar~~
 6 ~~of the taxable value of all livestock in the county. The tax shall must be assessed and collected in the same~~
 7 ~~manner as all other state and county taxes."~~

8
 9 ~~—————**Section 235.** Section 81-7-202, MCA, is amended to read:~~

10 ~~—————"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors.~~

11 ~~(1) The petition provided for in 81-7-201 shall must be signed by the owners, agent, or agents of the owners of~~
 12 ~~not less than 51% of the livestock of such the county as ascertained from the assessment books of such the~~
 13 ~~county, and shall The petition must recommend to the board of county commissioners the bounties to be paid~~
 14 ~~on such predatory animals, which shall may not exceed the following:~~

15 ~~————(a) on each wolf or mountain lion, \$100;~~

16 ~~————(b) on each wolf pup or mountain lion kitten, \$20;~~

17 ~~————(c) on one coyote, \$5;~~

18 ~~————(d) on each coyote pup, \$2.50.~~

19 ~~————(2) Such The petition shall must be presented not later than August 1 of each year, and the The board~~
 20 ~~of county commissioners on determining the sufficiency of such the petition shall may make an order granting~~
 21 ~~such the petition, which Subject to [section 1], the order shall must fix the levy for that year and the amount of~~
 22 ~~the bounties to be paid for the killing of each such predatory animal, which shall The bounties may not exceed~~
 23 ~~the amounts recommended in such the petition, and The board of county commissioners shall appoint not less~~
 24 ~~than 10 or more than 20 stockowners of such the county to be bounty inspectors under this part, without~~
 25 ~~compensation, who The inspectors shall hold their offices for 1 year."~~

26
 27 **Section 218.** Section 81-8-504, MCA, is amended to read:

28 **"81-8-504. Tax levy authorized.** For the purpose of defraying the costs of such purebred livestock
 29 shows and such purebred livestock sales, the county commissioners are authorized ~~and empowered, subject to~~
 30 ~~[section 1],~~ to levy annually a tax not to exceed one-fourth mill on the taxable property of the county, in excess

1 of the amount levied for county purposes, ~~which~~ The taxes shall must be paid into the general fund of the
 2 county."

3

4 **Section 219.** Section 85-3-422, MCA, is amended to read:

5 **"85-3-422. Tax certified by weather modification authority -- disposition of proceeds.** (1) The
 6 authority may certify annually to the board of county commissioners a tax of not to exceed 2 mills upon the
 7 taxable valuation of the property in the county for a weather modification fund. ~~The~~ Subject to [section 1], the tax
 8 must be levied by the board of county commissioners and may be levied in excess of the mill levy limit fixed by
 9 law for taxes for general county purposes. The weather modification fund may be used only for weather
 10 modification activities as provided by 85-3-424. The tax certified by the authority is limited to the period of
 11 existence of the authority.

12 (2) The money in the weather modification fund must be invested to earn interest at the rate most
 13 advantageous to the fund, consistent with law and prudent business practice."

14

15 **Section 220.** Section 85-7-206, MCA, is amended to read:

16 **"85-7-206. Basis and apportionment of annual tax.** ~~The~~ Subject to [section 1], the annual tax levy
 17 and the apportionment and distribution of the total amount required to be raised in any year ~~shall be had and done~~
 18 must be determined and imposed in accordance with the provisions and limitations of law applicable to irrigation
 19 districts organized under the provisions of parts 1 and 15 of this chapter."

20

21 **Section 221.** Section 85-7-307, MCA, is amended to read:

22 **"85-7-307. Tax levy.** ~~The~~ Subject to [section 1], the annual tax levy and the apportionment and
 23 distribution of the total amount required to be raised in any year ~~shall be had and done~~ must be determined and
 24 imposed in accordance with the provisions and limitations of law applicable to other irrigation districts organized
 25 under parts 1 and 15 of this chapter."

26

27 **Section 222.** Section 85-7-1953, MCA, is amended to read:

28 **"85-7-1953. Amount owed United States -- lien and special tax.** All amounts to be paid to the United
 29 States under any contract made ~~hereunder~~ pursuant to this part between the district and the United States ~~shall~~
 30 be are a general obligation of the district, and ~~said~~ the amounts to be paid to the United States ~~shall be~~ are a lien

1 upon the irrigation system of the district. ~~All~~ Subject to [section 1], all lands ~~now~~ within the district or ~~hereafter~~
 2 ~~embraced within~~ added to the district ~~shall~~ must be subject to a special tax or assessment for the payment of all
 3 amounts to be paid to the United States under ~~any such~~ the contract between the district and the United States;
 4 ~~and said~~ The special tax or assessment ~~shall constitute~~ constitutes a first and prior lien on the land against which
 5 the tax or assessment is levied to the same extent and with like force and effect as taxes levied for state and
 6 county purposes."

7

8 **Section 223.** Section 85-7-1973, MCA, is amended to read:

9 **"85-7-1973. Amount owed the state -- lien and special tax.** All amounts owed to the state under any
 10 contract made under 85-7-1971 through 85-7-1975 between the district and the state of Montana establish a
 11 general obligation of the district for payment, and any amounts to be paid to the state of Montana constitute a lien
 12 upon the irrigation system of the district. ~~All~~ Subject to [section 1], all lands now within the district or ~~hereafter~~
 13 ~~embraced within~~ added to the district are subject to a special tax or assessment for the payment of all amounts
 14 owed to the state under ~~such~~ the contract between the district and the state of Montana; ~~and this~~ The special
 15 tax or assessment constitutes a first and prior lien on the land against which it is levied to the same extent and
 16 with the same force and effect as taxes levied for state and county purposes."

17

18 **Section 224.** Section 85-7-2104, MCA, is amended to read:

19 **"85-7-2104. Annual tax levy -- apportionment when tracts divided.** (1) (a) On or before the second
 20 Monday in July each year, the board of commissioners of each irrigation district organized under parts 1 and 15
 21 shall ascertain:

22 (i) the total amount required to be raised in that year for the general administrative expenses of the
 23 district, including the cost of maintenance and repairs; and

24 (ii) the total amount to be raised that year for interest on and principal of the outstanding bonded or other
 25 indebtedness of the district for which bonds of the district have not been deposited with the United States as
 26 provided in 85-7-1906.

27 (b) ~~The~~ Subject to [section 1], the board shall levy against each 40-acre tract or fractional lot, as
 28 designated by United States government survey, or platted lot if land is subdivided in lots and blocks (or where
 29 land is owned in less than 40-acre tracts or in less than the platted lot, against each tract) ~~of land~~ in the district,
 30 that portion of the respective total amounts to be raised which the total irrigable area of any tract or lot bears to

1 the total irrigable area of the lands in the district, so that each acre of irrigable land in the district is assessed and
2 required to pay the same amount as every other acre of irrigable land in the district, unless otherwise specifically
3 provided by the board. The board may also charge the administrative charge authorized in 85-7-2103(1).

4 (c) Indebtedness under subsection (1) includes debt incurred under any contract between the district
5 and the United States but excludes any indebtedness incurred by the district on behalf of a subdistrict.

6 (2) (a) On or before the second Monday in July each year, the board of commissioners of each irrigation
7 district organized under parts 1 and 15 for which a subdistrict has been created pursuant to 85-7-404 shall
8 determine the total amount to be raised that year for interest and principal payments on the outstanding bonded
9 or other indebtedness of the district incurred on behalf of the subdistrict.

10 (b) The board shall levy against each 40-acre tract or fractional lot, as designated by United States
11 government survey, or platted lot if land is subdivided in lots and blocks (or where land is owned in less than
12 40-acre tracts or in less than the platted lot, against each tract) in the subdistrict, the portion of the total amount
13 to be raised apportioned according to the ratio of the total irrigable area of the tract or lot to the total irrigable area
14 of the lands in the subdistrict, so that each acre of irrigable land in the subdistrict is assessed and required to pay
15 the same amount as every other acre of irrigable land in the subdistrict, unless otherwise specifically provided
16 by the board. The board may also charge the administrative charge authorized in 85-7-2103(1).

17 (3) In the event that the ownership of any 40-acre tract or other subdivision of land in the district or
18 subdistrict is divided after a special tax or assessment against the land has been levied, each of the owners of
19 a tract or subdivision is entitled to have the special tax or assessment equitably apportioned to and against the
20 divisions of the tract or subdivision, so that each owner is enabled to pay a special tax or assessment against the
21 owner's portion of the tract or subdivision and have the land discharged from the lien. The charge against any
22 separately owned tract of land may not be less than \$5."

23
24 **Section 225.** Section 85-7-2117, MCA, is amended to read:

25 **"85-7-2117. Conclusiveness of tax or assessment.** In determining the proper and just tax or
26 assessment to be levied against any land for district purposes, the finding of the board of commissioners of the
27 district, in the absence of fraud or mistake and subject to [section 1], shall be are conclusive and final, except as
28 ~~herein~~ otherwise provided in this part."

29
30 **Section 226.** Section 85-7-2134, MCA, is amended to read:

1 **"85-7-2134. Levy of taxes and assessments by county commissioners.** If for any reason a levy of
 2 taxes or assessments ~~shall is not be~~ made for any irrigation district in any year by the board of commissioners
 3 of ~~such the~~ district within the time provided by 85-7-2104, the board of county commissioners of the county in
 4 which ~~such the~~ district is situated shall, not later than the second Monday in August, ascertain the total amount
 5 to be raised for all purposes of ~~said the~~ district; Subject to [section 1], the board of county commissioners shall
 6 make the levy ~~which that~~ should have been made by the board of commissioners of ~~such the~~ district; and shall
 7 furnish the county clerk ~~of such county~~ with a list of the lands and the amount of taxes or assessments as
 8 provided in 85-7-2136; ~~and such~~ The levy so made shall have has the same force and effect as though made
 9 by the board of commissioners of ~~such the~~ district. This section ~~shall apply~~ applies only to irrigation districts
 10 having a bonded indebtedness and actually in possession of a dependable water supply system and furnishing
 11 substantial amounts of water to bona fide users."
 12

13 **Section 227.** Section 85-7-2136, MCA, is amended to read:

14 **"85-7-2136. Collection of taxes or assessment.** (1) ~~On~~ Subject to [section 1] and on or before the third
 15 Monday in August of each year, the board of commissioners shall furnish to the department of revenue a correct
 16 list of all the district lands in the county, together with the amount of the total taxes or assessments against the
 17 lands for district purposes. The department of revenue shall immediately upon receipt of the list enter the
 18 assessment roll in the property tax record of the county for each year.

19 (2) The county treasurer of each county in which any irrigation district is located, in whole or in part, shall
 20 collect and receipt for all taxes and assessments levied by the district, in the same manner and at the same time
 21 as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. The
 22 treasurer shall receive from any taxpayer, at any time, the amount due on account of any district assessments
 23 of any kind, whether other taxes on the same real estate are paid or not.

24 (3) During the water delivery season, as determined by the irrigation district commissioners, the county
 25 treasurer shall make available to the board of commissioners of an irrigation district notice of the receipt of
 26 payments of district assessments by 9 a.m. on the day following receipt of those payments.

27 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer may
 28 receive assistance from an employee of the irrigation district or a commissioner of the district for the purpose of
 29 collecting district assessments as provided in 15-16-102, investing district funds as directed by the board of
 30 commissioners of the district, and preparing district assessment notices.

1 (5) When any real estate on account of which the district taxes and assessments have been levied has
 2 been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the treasurer at
 3 any time any semiannual installment of the district tax or assessment, together with the penalty and interest to
 4 date of payment on the installment. However, the payment may not be considered a redemption of the property
 5 from the tax sale but must be credited on account of any redemption that may be made. In case of any payment
 6 pursuant to this subsection, a separate tax receipt must ~~issue~~, be issued showing exactly what assessments have
 7 been paid; and ~~must show~~ showing that no other tax on the real estate has been received by the treasurer. The
 8 county treasurer may not collect, receive, or receipt for any taxes levied for county purposes upon real estate
 9 situated wholly or in part within any irrigation district upon which an assessment for the purposes of the irrigation
 10 district has been levied unless the assessment levied for irrigation district purposes is either paid as permitted
 11 in this section and the receipt for the payment is presented to the county treasurer at the time the taxes are paid;
 12 or paid at the ~~same~~ time the irrigation district taxes are paid."

13
 14 **Section 228.** Section 85-8-601, MCA, is amended to read:

15 **"85-8-601. Certification and collection of district taxes.** (1) ~~On~~ Subject to [section 1] and on or before
 16 the third Monday in August of each year, the commissioners shall certify to the department of revenue a correct
 17 list of all the district lands in each county and the owners of the lands, together with a statement of the amount
 18 of the total tax or assessment against the lands for district purposes for that year. The department of revenue
 19 shall immediately enter the assessment roll in the property tax record of the county for each year.

20 (2) The county treasurer of each county in which a drainage district is located, in whole or in part, shall
 21 collect and receipt for all taxes and assessments levied by the district; in the same manner and at the same time
 22 as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. However,
 23 the treasurer must receive from any taxpayer, at any time, the amount due on account of any district assessments
 24 of any kind, whether other taxes on the same real estate are paid or not. When any real estate on account of
 25 which the district taxes and assessments have been levied has been sold to the county and tax certificate of sale
 26 is held by the county, the taxpayer may pay to the treasurer at any time any semiannual installment of the district
 27 tax or assessment, together with the penalty and interest to date of payment on the installment. However, the
 28 payment may not be considered a redemption of the property from the tax sale, but must be credited on account
 29 of any redemption that may later be made. In case of any payment pursuant to this subsection, a separate tax
 30 receipt must be issued showing exactly what assessments have been paid and showing that no other tax on the

1 real estate has been received by the treasurer. However, the county treasurer may not collect, receive, or receipt
 2 for any taxes levied for county purposes upon real estate situated wholly or in part within any drainage district
 3 upon which an assessment for the purposes of the drainage district has been levied unless the assessment levied
 4 for the drainage district purposes is either paid as provided in this section and the receipt is presented to the
 5 county treasurer at the time the real estate taxes are paid or paid at the time the drainage district taxes are paid."

6
 7 **Section 229.** Section 85-8-615, MCA, is amended to read:

8 **"85-8-615. Procedure to levy additional assessments.** ~~if Subject to [section 1], if~~ in the first
 9 assessment for construction the commissioners ~~shall have~~ reported to the court a smaller sum than is needed
 10 to complete the work of construction or if in any year an additional sum is necessary to pay the lawful
 11 indebtedness of ~~said the~~ drainage district, further or additional assessments on the land (including improvements
 12 where benefited) and corporations benefited, proportioned on the last assessment of benefits ~~which that~~ has been
 13 approved by the court, ~~shall must~~ be made by the commissioners of ~~said the~~ drainage district under the order of
 14 the court, ~~or presiding judge thereof, provided, however~~ However, that the total assessments for original
 15 construction and any additional assessments, other than for maintenance, incidental expense, and interest on
 16 bonds, ~~shall, in no event,~~ may not exceed the total assessments of benefits as provided in 85-8-342. Notice of
 17 the hearing of the application for ~~such the~~ additional assessment ~~shall must~~ be published at least once each
 18 week for 3 consecutive weeks in one newspaper published in each county in which ~~said the~~ lands, or any part
 19 ~~thereof of the lands~~, within ~~said the~~ district are situated, ~~which The~~ further or additional assessment may be made
 20 payable in installments as specified in 85-8-611 and ~~shall must~~ be treated and collected in the same manner as
 21 the original assessments for construction confirmed by the court in ~~said the~~ drainage district."

22
 23 **Section 230.** Section 85-8-618, MCA, is amended to read:

24 **"85-8-618. Assessment of unassessed, benefited lands.** Whenever any lands from which surface
 25 or seepage water enters any drain or upon which or through which surface or seepage water has been prevented
 26 from flowing because of the construction of any drain have not been included within the drainage district ~~which~~
 27 ~~that~~ constructed ~~such the~~ drains or drain or the owner of any irrigation ditch or canal from which water seeps,
 28 drains, or wastes to, upon, or through lands included within a drainage district has not been assessed for the cost
 29 of construction of the drainage system of ~~said the~~ drainage district, the commissioners of ~~such the~~ district may
 30 report ~~said the~~ facts to the court and ask that ~~said the~~ lands, ~~describing them~~, be brought into ~~said the~~ district and

1 assessed for their proportionate share of the cost of the drainage system, ~~of said drainage district and~~ Subject
 2 to [section 1], the report may ask that the owner of any ~~such~~ irrigation ditch or canal be assessed its proportionate
 3 share of the costs of construction of ~~such the~~ drainage system. ~~Thereupon, the~~ The same proceedings as set out
 4 in 85-8-421 through 85-8-424 for the determination and levy of assessments against drained lands outside of the
 5 drainage district receiving benefits from the drainage of ~~said the~~ district ~~shall be had~~ must be commenced
 6 to determine the proper assessments, if any, to be levied against ~~said the~~ lands and the owner of ~~such the~~ irrigation
 7 ditch or canal to aid in payment of costs of construction."
 8

9 **Section 231.** Section 90-5-112, MCA, is amended to read:

10 **"90-5-112. Economic development levy.** (1) ~~The~~ Subject to [section 1], the governing body of a city,
 11 county, or town is authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or
 12 town subject to taxation for the purpose of economic development. The governing body may:

13 (a) submit the question of the mill levy to the qualified voters voting in a city, county, or town election;

14 or

15 (b) approve the mill levy by a vote of the governing body.

16 (2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing
 17 buildings to house manufacturing and processing operations, conducting preliminary feasibility studies, promoting
 18 economic development opportunities in a particular area, and other activities generally associated with economic
 19 development. These funds may not be used to directly assist an industry's operations by loan or grant or to pay
 20 the salary or salary supplements of government employees.

21 (3) The governing body of the county, city, or town may use the funds derived from this levy to contract
 22 with local development companies and other associations or organizations capable of implementing the economic
 23 development function.

24 ~~(4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied for a~~
 25 ~~period not to exceed 6 years and is not subject to the provisions of Title 15, chapter 10, part 4."~~
 26

27 **Section 232.** Section 90-6-309, MCA, is amended to read:

28 **"90-6-309. Tax prepayment -- large-scale mineral development.** (1) After permission to commence
 29 operation is granted by the appropriate governmental agency, and upon request of the governing body of a
 30 county in which a facility is to be located, a person intending to construct or locate a large-scale mineral

1 development in this state shall prepay property taxes as specified in the impact plan. This prepayment shall
 2 exclude the 6-mill university levy established under 20-25-423 and may exclude the mandatory county levies for
 3 the school BASE funding program established in 20-9-331 and 20-9-333.

4 (2) The person who is to prepay under this section is not obligated to prepay the entire amount
 5 established in subsection (1) at one time. Upon request of the governing body of an affected local government
 6 unit, the person shall prepay the amount shown to be needed from time to time as determined by the board.

7 (3) The person who is to prepay shall guarantee to the hard-rock mining impact board, through an
 8 appropriate financial institution, as may be required by the board, that property tax prepayments will be paid as
 9 needed for expenditures created by the impacts of the large-scale mineral development.

10 (4) ~~When Subject to [section 1], when~~ the mineral development facilities are completed and assessed
 11 by the department of revenue, they are subject ~~during the first 3 years and thereafter~~ to taxation as all other
 12 property similarly situated, except that in each year after the start of production, the local government unit that
 13 received a property tax prepayment shall provide for repayment of prepaid property taxes in accordance with
 14 subsection (5).

15 (5) A local government unit that received all or a portion of the property tax prepayment under this
 16 section shall provide for tax crediting as specified in the impact plan. The tax credit allowed in any year may not,
 17 however, exceed the tax obligation of the developer for that year, and the time period for tax crediting is limited
 18 to the productive life of the mining operation."

19
 20 **Section 233.** Section 90-6-310, MCA, is amended to read:

21 **"90-6-310. Local government facility impact bonds.** (1) When the need for the construction,
 22 renovation, improvement, or acquisition of local government facilities as a result of the large-scale mineral
 23 development is determined under 90-6-307, the owners of a large-scale mineral development may enter into a
 24 written agreement with the local government unit having the burden for the increased capital and operating costs
 25 expected to be incurred by the facilities. The local government unit may execute a written agreement with the
 26 owner of a large-scale mineral development for the issuance of any special industrial local government facility
 27 impact bonds provided for in this section.

28 (2) The agreement with the owners of a large-scale mineral development ~~shall~~ must provide for a
 29 payment guarantee, in addition to the taxes imposed by the local government unit on property owners generally,
 30 of the principal and interest on the bonds provided for in this section. ~~Payment~~ Subject to [section 1], payment

1 will then be made by an annual special tax levy on the property of the large-scale mineral development sufficient
 2 to retire the principal of and interest on these special impact bonds. The bonds ~~shall~~ may not be an obligation of
 3 the local government unit, but ~~shall~~ must be special obligations limited to the revenue derived from the special
 4 tax levy. A local government unit shall establish a levy and, to the extent bonds are issued as provided in this
 5 section, shall pledge the special fund and all ~~revenues~~ revenue of the special tax levy to the repayment of the
 6 bonds.

7 (3) The debt limits set forth in 7-7-2203, 7-7-4201, and 20-9-406 do not apply to bonds issued in
 8 accordance with this section. The interest on ~~such~~ the bonds ~~shall~~ may not be subject to state taxes.

9 (4) The impact bonds ~~shall~~ must be authorized by the governing body of the local government unit by
 10 a resolution that states:

- 11 (a) the facility for which the bonds are issued;
- 12 (b) the amount of the bonds;
- 13 (c) the rate of interest the bonds bear;
- 14 (d) the date of the bonds and the maturity date or dates of the bonds;
- 15 (e) the dates interest is payable on the bonds;
- 16 (f) the redemption options, if any, with respect to the bonds; and
- 17 (g) the manner of execution of the bonds.

18 (5) The impact bonds ~~shall~~ must be:

- 19 (a) in registered form as to principal and interest;
- 20 (b) payable in installments and at times not exceeding 30 years from their date of issuance; and
- 21 (c) payable at a place or places and be evidenced in a manner the governing body determines is in the
 22 best interest of the local government unit.

23 (6) Any impact bonds issued under the authority of this section may be sold at public or private sale in
 24 a manner, at a time or times, and at a price above or below par as may be determined by the governing body of
 25 the local government unit. All expenses, premiums, and commissions that the local government unit considers
 26 necessary or advantageous in connection with the authorization, sale, and issuance of the bonds may be paid
 27 by the governing body of the local government unit from the proceeds of the sale of the bonds.

28 (7) If more than one local government unit adopts a resolution to issue impact bonds, the local
 29 government units may enter into an interlocal agreement under 7-11-101 through 7-11-105, 7-11-107, and
 30 7-11-108, providing for the issue of impact bonds of the local government units to be combined in a single

1 offering, if the governing body of each local government unit authorizing the bonds determines that the pooling
2 of bonds:

- 3 (a) is in the best interest of the local government units;
- 4 (b) will facilitate the sale of the bonds under more advantageous terms;
- 5 (c) will lower the interest rates; or
- 6 (d) will lower the cost of issuance.

7 (8) In addition to the specific requirements of 7-11-105, the interlocal agreement ~~shall~~ must provide:

- 8 (a) that the bond titles ~~shall~~ must denote that impact bonds of different local government units have been
9 pooled and ~~shall~~ must refer to each local government unit executing the interlocal agreement;
- 10 (b) for a single debt service fund, to be held by a qualified trust company, to which each local government
11 unit shall pledge and pay the annual special tax levies levied against the large-scale mineral development; and
- 12 (c) that the bonds are payable solely from and against the debt service funds under the interlocal
13 agreement."

14

15 **Section 234.** Section 90-6-403, MCA, is amended to read:

16 **"90-6-403. Jurisdictional revenue disparity -- conditioned exemption and reallocation of certain**
17 **taxable valuation.** (1) When an impact plan for a large-scale mineral development approved pursuant to
18 90-6-307 identifies a jurisdictional revenue disparity, the board shall promptly notify the developer, all affected
19 local government units, and the department of revenue of the disparity. Except as provided in ~~this section and~~
20 90-6-404 and this section, the increase in taxable valuation of the mineral development that occurs after the
21 issuance and validation of a permit under 82-4-335 is not subject to the usual application of county and school
22 district property tax mill levies. This increase in taxable valuation must be allocated to local government units as
23 provided in 90-6-404. The increase in taxable valuation allocated as provided in 90-6-404 is subject to [section
24 1] and the application of property tax mill levies in the local government unit to which it is allocated.

25 (2) ~~The~~ Subject to [section 1], the total taxable valuation of a large-scale mineral development remains
26 subject to the statewide mill levies and basic county levies for elementary and high school BASE funding
27 programs as provided in 20-9-331 and 20-9-333.

28 (3) The provisions of subsection (1) remain in effect until the large-scale mineral development ceases
29 operations or until the existence of the jurisdictional revenue disparity ceases, as determined by the board."

30

1 **SECTION 235.** SECTION 1, SENATE BILL NO. 79, 1999, IS AMENDED TO READ:

2 **"Section 1. Tax levy for university system.** Subject to the provisions of 20-25-423 and [section 1],
3 there is levied upon the taxable value of all real estate and personal property subject to taxation in the state of
4 Montana 6 mills or so much of 6 mills as is necessary to raise the amount appropriated by the legislature from
5 the state special revenue fund for the support, maintenance, and improvement of the Montana university system,
6 as provided in referendum measure No. 113, passed by a vote of the people at the general election held
7 November 3, 1998. The funds raised from the levy must be deposited in the state special revenue fund."

8

9 **NEW SECTION.** **Section 236. Repealer.** Sections 7-6-2514 and 15-10-412, MCA, are repealed.

10

11 **NEW SECTION.** **Section 237. Codification instruction.** [Section 1] is intended to be codified as an
12 integral part of Title 15, chapter 10, part 4, and the provisions of Title 15, chapter 10, part 4, apply to [section 1].

13

14 **NEW SECTION.** **Section 238. Effective date.** [This act] is effective on passage and approval.

15

16 **NEW SECTION.** **Section 239. Retroactive applicability.** [This act] applies retroactively, within the
17 meaning of 1-2-109, to property tax levies established for tax years beginning after December 31, 1998.

18

- END -