

## SENATE BILL NO. 184

INTRODUCED BY L. GROSFIELD, B. STORY, S. BARTLETT, S. DOHERTY, B. GLASER, M. HALLIGAN, J.  
HARP, L. MCCULLOCH, M. NOENNIG, S. ORR, S. STANG, F. THOMAS, M. WATERMAN

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 FOR THE DISPOSITION OF PROPERTY TAXES COLLECTED ON CERTAIN~~  
~~IMPROVEMENTS; REQUIRING THAT TAXES COLLECTED ON CERTAIN IMPROVEMENTS BE USED TO~~  
~~REDUCE MILL LEVIES; 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; ALLOWING AN EXTENSION OF 1999~~  
~~STATUTORY DEADLINES RELATING TO PROPERTY TAXES; PROVIDING FOR PERIODIC REAPPRAISAL~~  
~~ON A 6-YEAR CYCLE AND THE PHASING IN OF NEW VALUES; PROVIDING FOR REIMBURSEMENT TO~~  
~~LOCAL GOVERNMENTS, SCHOOLS, AND TAX INCREMENT DISTRICTS, UNDER CERTAIN CONDITIONS,~~  
~~FOR LOSS OF PROPERTY TAX REVENUE; PROVIDING FOR AN INTERIM LOCAL GOVERNMENT FUNDING~~  
~~AND STRUCTURE STUDY COMMITTEE AND AN INTERIM COURT FUNDING AND STRUCTURE STUDY~~  
~~COMMITTEE; PROVIDING FOR AN APPROPRIATION APPROPRIATIONS; 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, 7-6-4299, 7-6-4232, 7-6-4259, 7-6-4261, 7-6-4272, 7-6-4401,~~  
~~7-6-4405, 7-6-4401, 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, 7-15-4324,~~  
~~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,~~

1 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,  
 2 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,  
 3 ~~15-2-302, 15-2-301, 15-6-134, 15-6-143, 15-6-201, 15-7-102, 15-7-103, 15-7-111, 15-7-403, 15-8-111, 15-8-201,~~  
 4 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,  
 5 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,  
 6 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,~~  
 7 ~~20-9-308~~, 20-9-331, 20-9-333, 20-9-360, ~~20-9-366~~, 20-9-404, ~~20-9-438~~, ~~20-10-144~~, ~~20-10-145~~, 20-9-501,  
 8 ~~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,  
 9 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,  
 10 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,  
 11 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,~~  
 12 ~~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,~~  
 13 ~~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,  
 14 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,  
 15 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  
 16 NO. 79, 1999; REPEALING SECTIONS 7-6-2514, 7-6-4405, AND 15-10-412, MCA; PROVIDING AN IMMEDIATE  
 17 EFFECTIVE DATE, A TERMINATION DATE, AND A RETROACTIVE A RETROACTIVE APPLICABILITY DATE  
 18 DATES DATE."

19

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

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22 NEW SECTION. Section 1. Procedure for calculating levy. (1) A governmental entity authorized to  
 23 impose a levy shall calculate AND IMPOSE UP TO the number of mills required to generate the amount of property  
 24 tax actually collected IMPOSED in the governmental unit in the prior year PLUS THAT NUMBER OF MILLS APPLIED TO:  
 25 \_\_\_\_\_ (A) THE VALUE OF NEW IMPROVEMENTS OR NEWLY TAXABLE PROPERTY IN THE GOVERNMENTAL UNIT;  
 26 \_\_\_\_\_ (B) THE INCREASED VALUE OF PROPERTY AS A RESULT OF SUBDIVISION; AND  
 27 \_\_\_\_\_ (C) THE INCREASED VALUE OF PROPERTY AS A RESULT OF RECLASSIFICATION;  
 28 \_\_\_\_\_ (2) A governmental entity shall apply the levy calculated pursuant to subsection (1) plus any additional  
 29 levies authorized by the voters to all property in the governmental unit.

30 (1) A GOVERNMENTAL ENTITY THAT IS AUTHORIZED TO IMPOSE MILLS MAY IMPOSE A MILL LEVY SUFFICIENT TO

1 GENERATE THE AMOUNT OF PROPERTY TAXES ACTUALLY ASSESSED IN THE PRIOR YEAR, EVEN IF THAT LEVY IS GREATER  
 2 THAN THE LEVY ESTABLISHED BY LAW. THE MAXIMUM NUMBER OF MILLS THAT A GOVERNMENTAL ENTITY MAY IMPOSE IS  
 3 ESTABLISHED BY CALCULATING THE NUMBER OF MILLS REQUIRED TO GENERATE THE AMOUNT OF PROPERTY TAX ACTUALLY  
 4 ASSESSED IN THE GOVERNMENTAL UNIT IN THE PRIOR YEAR BASED ON THE CURRENT YEAR TAXABLE VALUE, LESS THE  
 5 VALUE OF NEWLY TAXABLE PROPERTY.

6 (2) A GOVERNMENTAL ENTITY MAY APPLY THE LEVY CALCULATED PURSUANT TO SUBSECTION (1) PLUS ANY  
 7 ADDITIONAL LEVIES AUTHORIZED BY THE VOTERS TO ALL PROPERTY IN THE GOVERNMENTAL UNIT, INCLUDING NEWLY  
 8 TAXABLE PROPERTY.

9 (3) FOR PURPOSES OF THIS SECTION, NEWLY TAXABLE PROPERTY INCLUDES:

10 (A) ANNEXATION OF REAL PROPERTY AND IMPROVEMENTS INTO A TAXING UNIT;

11 (B) CONSTRUCTION, EXPANSION, OR REMODELING OF IMPROVEMENTS;

12 (C) TRANSFER OF PROPERTY INTO A TAXING UNIT;

13 (D) SUBDIVISION OF REAL PROPERTY;

14 (E) RECLASSIFICATION OF PROPERTY;

15 (F) TRANSFER OF PROPERTY FROM TAX-EXEMPT TO TAXABLE STATUS; AND

16 (G) REVALUATIONS CAUSED BY EXPANSION, ADDITION, REPLACEMENT, OR REMODELING OF IMPROVEMENTS.

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

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

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

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

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

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

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

1           ~~(3)(4) SUBSECTION (1) DOES NOT APPLY TO THE BASE BUDGET LEVY DEFINED IN 20-9-306, THE COUNTY LEVY~~  
2 ~~FOR RETIREMENT PROVIDED FOR IN 20-9-501, OR THE COUNTY LEVY FOR TRANSPORTATION PROVIDED FOR IN 20-10-144.~~  
3 ~~SCHOOL DISTRICT GENERAL FUND LEVIES AND THE SCHOOL DISTRICT LEVY FOR TUITION OBLIGATIONS ESTABLISHED IN~~  
4 ~~20-5-324(5).~~

5           ~~(4)(5) FOR PURPOSES OF SUBSECTION (1), TAXES IMPOSED DO NOT INCLUDE NET OR GROSS PROCEEDS TAXES~~  
6 ~~RECEIVED UNDER 15-6-131 AND 15-6-132.~~

7           ~~(5) IN CALCULATING A LEVY UNDER SUBSECTION (1), A GOVERNMENTAL ENTITY SHALL INCLUDE AS PROPERTY~~  
8 ~~TAXES IMPOSED ANY AMOUNT THAT THE STATE REIMBURSES THE GOVERNMENTAL ENTITY FOR REDUCTIONS OF PROPERTY~~  
9 ~~TAX OR ANY AMOUNT THAT THE GOVERNMENTAL ENTITY WITHHOLDS AS REIMBURSEMENT FOR REDUCTIONS OF PROPERTY~~  
10 ~~TAX.~~

11           ~~(6) EXCEPT AS PROVIDED IN SUBSECTION (7), A GOVERNMENTAL ENTITY MAY IMPOSE A MILL LEVY THAT IS~~  
12 ~~GREATER THAN THE LEVY ESTABLISHED BY LAW TO GENERATE THE AMOUNT OF PROPERTY TAXES ACTUALLY IMPOSED IN~~  
13 ~~THE PRIOR YEAR.~~

14           ~~(6) IN DETERMINING THE MAXIMUM NUMBER OF MILLS IN SUBSECTION (1), THE GOVERNMENTAL ENTITY SHALL~~  
15 ~~TAKE INTO ACCOUNT ANY CHANGE FROM THE PRIOR YEAR IN THE AMOUNT OF STATUTORY REIMBURSEMENTS FOR~~  
16 ~~CHANGES IN THE PROPERTY TAX LAWS. IT MAY INCREASE THE NUMBER OF MILLS TO ACCOUNT FOR A DECREASE IN~~  
17 ~~REIMBURSEMENTS AND SHALL DECREASE THE NUMBER OF MILLS TO FULLY ACCOUNT FOR ANY INCREASE IN~~  
18 ~~REIMBURSEMENTS.~~

19           ~~(7) THE DEPARTMENT SHALL CALCULATE THE NUMBER OF MILLS TO BE IMPOSED FOR PURPOSES OF [SECTION~~  
20 ~~1 OF SENATE BILL NO. 79], 20-9-331, 20-9-333, 20-9-360, 20-25-423, 20-25-439, AND 53-2-813. HOWEVER, THE~~  
21 ~~NUMBER OF MILLS CALCULATED BY THE DEPARTMENT MAY NOT EXCEED THE MILL LEVY LIMITS ESTABLISHED IN THOSE~~  
22 ~~SECTIONS.~~

23           ~~(8) THE DEPARTMENT MAY ADOPT RULES TO IMPLEMENT THIS SECTION. THE RULES MAY INCLUDE A METHOD FOR~~  
24 ~~CALCULATING THE PERCENTAGE OF CHANGE IN VALUATION FOR PURPOSES OF DETERMINING THE ELIMINATION OF~~  
25 ~~PROPERTY, NEW IMPROVEMENTS, OR NEWLY TAXABLE PROPERTY IN A GOVERNMENTAL UNIT.~~

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27           ~~NEW SECTION. SECTION 2. ASSESSMENT OF CERTAIN IMPROVEMENTS. (1) IMPROVEMENTS COMPLETED~~  
28 ~~DURING THE TAX YEAR THAT WERE NOT ASSESSED OR TAXABLE AS OF THE PRECEDING JANUARY 1 OR IMPROVEMENTS~~  
29 ~~THAT HAVE BECOME THE PROPERTY OF A PERSON SUBJECT TO TAXATION MUST BE ASSESSED AND TAXED FROM THE DATE~~  
30 ~~OF OCCUPATION OR USE.~~

~~(2) TO DETERMINE THE AMOUNT OF TAX DUE FOR IMPROVEMENTS DESCRIBED IN SUBSECTION (1), THE COUNTY TREASURER SHALL MULTIPLY THE TAXABLE VALUE OF THE IMPROVEMENT BY THE TOTAL NUMBER OF MILLS LEVIED ON THE PROPERTY FOR THE CURRENT FISCAL YEAR AND MULTIPLY THE PRODUCT BY THE RATIO THAT THE NUMBER OF DAYS IN THE FISCAL YEAR THAT THE PROPERTY WILL BE IN TAXABLE STATUS BEARS TO 365.~~

~~(3) BECAUSE THE IMPROVEMENT WILL NOT HAVE BEEN ASSESSED OR TAXED DURING THE TAX YEAR BECAUSE IT DID NOT EXIST ON JANUARY 1, THE DEPARTMENT SHALL PREPARE A SPECIAL ASSESSMENT FOR THE PROPERTY, AND THE COUNTY TREASURER SHALL DETERMINE THE AMOUNT OF TAXES THAT WOULD HAVE BEEN DUE UNDER SUBSECTION (2).~~

~~(4) UPON DETERMINING THE AMOUNT OF TAX DUE, THE COUNTY TREASURER SHALL NOTIFY THE PERSON TO WHOM THE TAX IS ASSESSED, IN THE SAME MANNER AS NOTIFICATION IS PROVIDED FOR UNDER 15-16-101(2), OF THE AMOUNT DUE, AND THE NOTIFICATION MUST STATE THAT THE TAXES ARE PAYABLE WITHIN 30 DAYS AFTER THE NOTIFICATION IS POSTMARKED.~~

~~(5) IMPROVEMENTS THAT ARE ASSESSED AND TAXED UNDER THIS SECTION MUST BE INCLUDED IN THE TAX BASE IN THE SAME MANNER AS ALL OTHER PROPERTY FOR THE FISCAL YEAR BEGINNING JULY 1 THAT FOLLOWS ASSESSMENT AND TAXATION OF THE IMPROVEMENTS UNDER THIS SECTION.~~

~~NEW SECTION. SECTION 3. DISPOSITION OF TAXES ON CERTAIN IMPROVEMENTS. (1) THE COUNTY TREASURER SHALL DEPOSIT ALL TAXES COLLECTED UNDER [SECTION 2] INTO A SEPARATE ACCOUNT.~~

~~(2) FUNDS IN THE ACCOUNT MAY NOT BE DISTRIBUTED DURING THE FISCAL YEAR IN WHICH THEY ARE COLLECTED.~~

~~(3) FUNDS IN THE ACCOUNT ON JUNE 30 MUST BE DISTRIBUTED IN THE RELATIVE PROPORTIONS REQUIRED BY THE LEVIES FOR STATE, COUNTY, SCHOOL DISTRICTS, AND MUNICIPAL PURPOSES AS PROPERTY TAXES ARE DISTRIBUTED AND MUST BE USED TO REDUCE LEVIES WHENEVER AUTHORIZED OR REQUIRED.~~

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

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

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

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

~~(1) insurance;~~

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

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

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

**Section 3.** Section 7-1-112, MCA, is amended to read:

**"7-1-112. Powers requiring delegation.** A local government with self-government powers is prohibited the exercise of the following powers unless the power is specifically delegated by law:

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

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

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

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

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

1           **Section 4.** Section 7-1-114, MCA, is amended to read:

2           **"7-1-114. Mandatory provisions.** (1) A local government with self-government powers is subject to the  
3 following provisions:

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

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

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

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

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

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

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

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

16          (2) These provisions are a prohibition on the self-government unit acting other than as provided."  
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18           **Section 5.** Section 7-1-2103, MCA, is amended to read:

19           **"7-1-2103. County powers.** A county has power to:

20           (1) sue and be sued;

21           (2) purchase and hold lands within its limits;

22           (3) make ~~such~~ contracts and purchase and hold ~~such~~ personal property ~~as~~ that may be necessary to  
23 the exercise of its powers;

24           (4) make ~~such~~ orders for the disposition or use of its property ~~as~~ that the interests of its inhabitants  
25 require;

26           (5) subject to [section 1], levy and collect ~~such~~ taxes for the purposes under its exclusive jurisdiction ~~as~~  
27 that are authorized by ~~this code or by special statutes~~ law."  
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29           **Section 6.** Section 7-1-4123, MCA, is amended to read:

30           **"7-1-4123. Legislative powers.** A municipality with general powers has the legislative power, subject

1 to the provisions of state law, to adopt, amend, and repeal ordinances and resolutions required to:

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

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 13 ~~Section 8.~~ Section 7-2-2246, MCA, is amended to read:

14 ~~"7-2-2246. Settlement between counties following adjustment of indebtedness.~~ (1) The sum of said  
 15 ~~the~~ ascertained value of the property referred to in 7-2-2245 added to the ascertained proportion of the excess  
 16 ~~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  
 17 ~~the~~ election, as aforesaid, shall be is an indebtedness from the new county to the old county, and the property  
 18 situated, as aforesaid, in the new county shall must, upon settlement therefor as provided in this part, become  
 19 the property of the new county, and the old county shall pay the entire indebtedness against it.

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

28 ~~(3) If the value of the property belonging to the old county exceeds the indebtedness of the old county,~~  
 29 then the old county shall pay to the new county a due proportion of such the excess, which The proportion shall  
 30 must be determined by the board of county commissioners and shall must be paid by the old county to the new



1 county in the same manner and subject to the same conditions herein provided for payment by the new county  
2 to the old county when the indebtedness of the old county exceeds the value of the property in the old county."

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4 ~~Section 9.~~ Section 7-2-2730, MCA, is amended to read:

5 ~~"7-2-2730. Establishment of special warrant district or special funding bond district in continuing~~  
6 ~~county.~~ (1) After all warrants have been drawn and issued against the funds of such the adjoining county to pay  
7 the claims and demands existing against such the county on the date when the territory of such the abandoned  
8 and abolished county was attached to such the adjoining county, all money in the funds of such the adjoining  
9 county shall must be used and applied in payment of the warrants drawn against its respective funds. If such the  
10 money is not sufficient to pay all of such the warrants, with the interest thereon, then the board of county  
11 commissioners shall make an order creating a special warrant district and shall include within such the district  
12 all of the territory of such the adjoining county but shall may not include therein any of the territory of such the  
13 abandoned and abolished county, and shall, thereafter and at the Subject to [section 1], at the time of making  
14 levies for county purposes, the board of county commissioners shall levy a special tax against all taxable property  
15 in such the district to pay the warrants, with interest thereon, outstanding against the funds of said the county.  
16 The board may in its discretion extend such Subject to [section 1], the tax levy may extend over a period of not  
17 to exceed 3 years.

18 ~~(2) (a) If it shall appear~~ appears to the board that it will require too large a tax levy to pay such the  
19 warrant indebtedness, with interest thereon, within 3 years, such the board, instead of creating a special warrant  
20 district, shall create and establish a may submit to the voters the creation of a special funding bond district and  
21 shall include within the boundaries thereof all of the territory within such adjoining county but shall not include  
22 therein any of the territory of the abandoned and abolished county attached to such adjoining county. After all  
23 money in the several funds of said county applicable thereto has been applied in payment of such outstanding  
24 warrants and interest thereon and without submitting the question of doing so to an election, such board may  
25 issue bonds in an amount sufficient to pay and redeem all such warrants remaining outstanding, with interest  
26 thereon.

27 ~~(b) Such~~ The bonds shall must be issued in the name of said the adjoining county and shall contain  
28 recitals to the effect that the principal and interest thereof will be paid by millage tax levies against the property  
29 situated within the boundaries of said the county as the same boundaries existed before the territory of such the  
30 abandoned and abolished county was attached thereto and that none of the property within the territory of such

1 ~~the abandoned and abolished county will be subjected to such the levies. Except as otherwise provided herein~~  
 2 ~~in this section, said the bonds shall must be issued and sold and tax levies shall be fixed and made to pay the~~  
 3 ~~principal and interest thereof as the same becomes due on the bonds in the manner provided by 7-7-107,~~  
 4 ~~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,~~  
 5 ~~so far as applicable thereto, shall apply to such the bonds."~~

6  
 7 ~~Section 10.~~ Section 7-2-2743, MCA, is amended to read:

8 ~~"7-2-2743. Collection of taxes and other money.~~ Taxes Subject to [section 1], taxes levied for all such  
 9 funds which that were delinquent on the day when such the county ceased to exist and for which tax sales had  
 10 not been held and all licenses and other money owing to such the county at such that time shall must be collected  
 11 by the treasurer of the county designated in the petition for abandonment as the county to which its territory is  
 12 to be attached and become a part and placed in and deposited to the credit of the funds of such the abandoned  
 13 and abolished county to which the same properly belong."

14  
 15 ~~Section 11.~~ Section 7-2-2746, MCA, is amended to read:

16 ~~"7-2-2746. Details relating to special warrant district.~~ (1) The Subject to [section 1], the board of  
 17 county commissioners creating a special warrant district shall, thereafter and at the time of making and fixing tax  
 18 levies for county purposes, make and fix a levy against all taxable property within such the special warrant district  
 19 for the payment of said warrants and the interest thereon on the warrants. The proceeds of such the levy, when  
 20 collected, shall must be deposited by the county treasurer in a separate fund which shall that may be used only  
 21 for the payment of said the warrants and interest and for no other purpose.

22 ~~(2) Said The tax levy need not be made at such a rate as will pay all of said warrants, with interest, in~~  
 23 ~~1 year, but if said board shall deem it for the best interests of the taxpayers owning property within such special~~  
 24 ~~warrant district, such levy may be spread over a term authorized by the voters of not more than 3 years."~~

25  
 26 ~~Section 12.~~ Section 7-2-2749, MCA, is amended to read:

27 ~~"7-2-2749. Payment of outstanding bonds of abandoned county.~~ (1) If any abandoned and abolished  
 28 county shall have has any bonds outstanding and unpaid at the time it ceases to exist, the territory within the  
 29 boundaries of such that county as they existed when such the county so ceased to exist shall constitute a special  
 30 district for the payment thereof of the bonds. The Subject to [section 1], the board of county commissioners of

1 the county designated in the petition for abandonment as the county to which the territory of such the county is  
 2 to be attached and made a part shall annually levy a tax against all taxable property in such the taxing district  
 3 sufficient to pay the interest and principal of such the bonds as the same bonds become due, and all of the  
 4 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  
 5 apply to, govern, and control the levying and collection of such taxes and the payment of interest and principal  
 6 ~~of thereof and interest on the bonds~~ by the boards and officers of the county within which such the district is  
 7 situated:

8 ~~—— (2) Any and all money in any bond sinking and interest funds of such the abandoned and abolished~~  
 9 ~~county, when transmitted and paid over to the treasurer of the county to which the territory of such the abandoned~~  
 10 ~~and abolished county has been attached, shall must be credited to and deposited in a sinking and interest fund.~~  
 11 ~~All taxes levied for the payment of such the bonds and interest and that are delinquent at the time such the county~~  
 12 ~~ceased to exist, all taxes levied for such the sinking and interest fund in accordance with the provisions of~~  
 13 ~~7-2-2742 through 7-2-2750, and all other money coming to the hands of such county treasurer for the use or~~  
 14 ~~benefit of such the abandoned county, when not required for any other purposes under the provisions of this part,~~  
 15 ~~shall must be deposited to the credit of such the sinking and interest fund and used only for the payment of the~~  
 16 ~~principal of and interest of such on the bonds and for no other purpose."~~

17  
 18 **Section 7.** Section 7-3-184, MCA, is amended to read:

19 **"7-3-184. Financial administration.** (1) A study commission shall prepare a budget for each fiscal year  
 20 it is in existence and submit it to the local governing body for approval.

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

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

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

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

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

7  
 8 **Section 8.** Section 7-3-1104, MCA, is amended to read:

9 **"7-3-1104. General powers of consolidated local governments.** A consolidated local government  
 10 ~~shall have~~ has and may exercise all powers that are conferred on counties, cities, or towns by the constitution  
 11 and laws of the state. ~~The~~ Subject to [section 1], the consolidated local government may levy all taxes ~~which that~~  
 12 counties, cities, and towns are authorized to levy."

13  
 14 **Section 9.** Section 7-3-1227, MCA, is amended to read:

15 **"7-3-1227. Petition for initiative.** (1) Any proposed ordinance, except an ordinance making ~~a tax levy~~  
 16 ~~or an~~ an appropriation, may be submitted to the commission by petition signed by 10% of the qualified electors of  
 17 the municipality whose names appear on the register of voters on the date when the proposed ordinance is  
 18 submitted to the commission.

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

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

23  
 24 **Section 10.** Section 7-3-1310, MCA, is amended to read:

25 **"7-3-1310. Limitation on tax levy.** (1) ~~No~~ An ordinance, conforming to [section 1], making the annual  
 26 tax levy ~~shall~~ must be passed fixing the rate to be levied upon all property within the municipality to defray current  
 27 expenses, ~~including salaries otherwise unprovided for, in excess of the maximum levies prescribed by law for~~  
 28 ~~general fund purposes in the county and the cities and towns which have been consolidated into a single~~  
 29 ~~government.~~

30 (2) ~~The tax limit provided by subsection (1) shall apply only to taxes for the purposes therein specified.~~

1 Taxes required by this part or part 12 to be levied on account of the debt of the municipality or any district thereof  
 2 and special taxes authorized by this part or part 12 or by the general laws of the state shall are not be affected  
 3 by such the limits, nor shall such taxes be considered in determining the limits of taxation fixed by subsection (1)."  
 4

5 **Section 11.** Section 7-3-1311, MCA, is amended to read:

6 **"7-3-1311. Authority for special taxes and special service districts.** (1) The Subject to [section 1],  
 7 a municipality shall have the power and authority to may levy special taxes for all purposes which that counties,  
 8 cities, and towns are authorized to levy by general laws of the state, and all of the provisions of such those laws  
 9 shall be are applicable to and shall govern and control the municipality in the levying and collection of such the  
 10 special taxes.

11 (2) The Subject to [section 1], the commission may by ordinance designate clearly specified districts in  
 12 or for which special services are to be performed and may levy upon the property in any such the district such  
 13 a tax, in addition to any taxes authorized by 7-3-1310(1), as may be necessary with other available funds and  
 14 grants to pay the cost of such the special service or services. The boundaries of special service districts shall  
 15 must be regularly reviewed by the commissioners and may be adjusted upon recommendation by an authorized  
 16 planning body in response to changing population patterns. In no case shall such An additional levy under this  
 17 section may not be more than 20 mills."  
 18

19 ~~Section 18.~~ Section 7-3-4442, MCA, is amended to read:

20 ~~"7-3-4442. Local improvements.~~ (1) ~~The Subject to [section 1], the~~ commission shall have the power  
 21 ~~may~~ by ordinance to provide for:

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

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

27 ~~(2) Whenever the payments for such improvements are to extend over a period of years and are to be~~  
 28 ~~paid for in installments, the proceedings and all things done in connection with such the~~ improvements are to  
 29 ~~must~~ be done in strict conformity with the provisions of parts 41 and 42 of chapter 12."  
 30

1 ~~Section 19.~~ Section 7-6-1506, MCA, is amended to read:

2 ~~"7-6-1506. Use of resort community tax revenues -- bond issue -- pledge.~~ (1) Unless otherwise  
3 restricted by the voter-approved tax authorization provided for in 7-6-1504, a resort community may appropriate  
4 and expend revenues revenue derived from a resort tax for any activity, undertaking, or administrative service  
5 that the municipality is authorized by law to perform, including costs resulting from the imposition of the tax.

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

11 ~~(3) A Subject to [section 1], a resort community may pledge for repayment of bonds issued under this~~  
12 section the revenues revenue derived from a resort tax, special assessments levied for and revenues revenue  
13 collected from the facilities, improvements, or undertakings for which the bonds are issued, and any other source  
14 of revenue authorized by the legislature to be imposed or collected by the resort community. Such The bonds  
15 do not constitute debt for purposes of any statutory debt limitation, provided that in the resolution authorizing the  
16 issuance of the bonds the municipality determines that the resort tax revenues revenue, special assessments  
17 levied for and revenues revenue from such facilities, improvements, or undertakings, or any other sources of  
18 revenue, if any, pledged to the payment of the bonds will be sufficient in each year to pay the principal thereof  
19 and interest thereon on the bonds when due. Bonds may not be issued pledging proceeds of the resort tax for  
20 repayment unless the municipality in the resolution authorizing issuance of the bonds determines that in any fiscal  
21 year the annual revenues revenue expected to be derived from the resort tax, less the amount required to reduce  
22 property taxes pursuant to 7-6-1507, equals at least 125% of the average amount of the principal and interest  
23 payable from the resort tax revenues on the bonds and any other outstanding bonds payable from the resort tax  
24 except any bonds to be refunded upon the issuance of the proposed bonds."

25

26 **Section 12.** Section 7-6-2319, MCA, is amended to read:

27 **"7-6-2319. Determination of fund requirements to be met by tax levy -- exception.** (1) Following the  
28 determinations required by 7-6-2318, the board shall determine the amount to be raised by tax levy for each fund  
29 by adding the cash balance in the fund at the close of the preceding fiscal year and the amount of the estimated  
30 revenue to accrue to the fund during the current fiscal year. It shall then deduct the total amount obtained from

1 the total amount of the appropriations and authorized expenditures from the fund as determined by the board.  
 2 The amount remaining is the amount necessary to be raised for the fund by tax levy during the current fiscal year.

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

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

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

15

16 **Section 13.** Section 7-6-2321, MCA, is amended to read:

17 **"7-6-2321. Fixing of tax levy -- exception.** (1) On or before the second Monday in August and after the  
 18 approval and adoption of the final budget, the board of county commissioners shall fix the tax levy for each fund  
 19 at a rate ~~which~~ that will raise the amount set out in the budget as the amount necessary to be raised by tax levy  
 20 for the fund during the current fiscal year. The taxable valuation of the county for the current fiscal year must be  
 21 the basis for determining the amount of the tax levy for each fund. ~~Each~~ Subject to [section 1], each tax levy must  
 22 be at a rate not higher than is required on that basis, without including any amount for anticipated tax delinquency,  
 23 to produce the amount set out in the budget, without including any amount for anticipated tax delinquency, that  
 24 is the amount to be raised by tax levy.

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

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

28

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

30 ~~**"7-6-2345. Use of emergency warrants.** (1) All emergency expenditures shall must be made by the~~

1 issuance of emergency warrants drawn against the fund or funds properly chargeable with such the expenditures.  
 2 The county treasurer is authorized and directed to pay such the emergency warrants with any money in such the  
 3 fund or funds available for such purpose. If at any time there shall is not be sufficient money available in such the  
 4 fund or funds to pay such the warrants, then such the warrants shall must be registered, bear interest, and be  
 5 called in for payment in the manner provided by law for other county warrants.

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

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

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

17  
 18 ~~\_\_\_\_\_ **Section 23.** Section 7-6-2348, MCA, is amended to read:~~

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

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

28  
 29 **Section 14.** Section 7-6-2501, MCA, is amended to read:

30 **"7-6-2501. Authorization for county mill levy.** The Subject to [section 1], the board of county



1 commissioners ~~has jurisdiction and power, under such limitations and reservations as are prescribed by law, to~~  
 2 may levy such a tax annually on the taxable property of the county for county purposes as may be necessary to  
 3 defray the current expenses thereof, ~~including the salaries otherwise unprovided for,~~ not exceeding 27 mills on  
 4 each dollar of the taxable valuation for any ~~one~~ 1 year for counties of the fourth, fifth, sixth, and seventh classes  
 5 and 25 mills on each dollar of the taxable valuation for any ~~one~~ 1 year for counties of the first, second, and third  
 6 classes and ~~to~~ may levy such taxes as are required to be levied by special or local statutes."

7  
 8 **Section 15.** Section 7-6-2502, MCA, is amended to read:

9 **"7-6-2502. Responsibility of county commissioners to fix tax rate and levy tax.** ~~The~~ Subject to  
 10 [section 1], the board of county commissioners of each county ~~must~~ shall, on the second Monday in August, fix  
 11 the rate of county taxes and designate the number of mills on each dollar of valuation of property for each fund  
 12 and ~~must~~ shall levy taxes upon the taxable property of the county."

13  
 14 **Section 16.** Section 7-6-2511, MCA, is amended to read:

15 **"7-6-2511. County levy for district court expenses.** ~~The~~ Subject to [section 1], the governing body  
 16 of each county may each year levy and collect a tax on the taxable property of the county for all district court  
 17 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  
 18 second-class counties, 5 mills in third- and fourth-class counties, and 4 mills in fifth-, sixth-, and seventh-class  
 19 counties. ~~These expenses~~ District court costs include but are not limited to salary and benefits for court clerks,  
 20 court reporters, youth probation officers, and other employees of the district court."

21  
 22 **Section 17.** Section 7-6-2512, MCA, is amended to read:

23 **"7-6-2512. County tax levy for health care facilities.** (1) ~~The~~ Subject to [section 1], the board of county  
 24 commissioners may, annually at the time of levying county taxes, fix and levy a tax, not to exceed 10 mills on  
 25 each dollar of taxable valuation of property, upon all property within the county to erect, furnish, equip, expand,  
 26 improve, maintain, and operate county-owned or county-operated health care facilities created under 7-8-2102,  
 27 7-34-2201, and 7-34-2502. "Health care facilities" as used in this section has the meaning as defined in  
 28 7-34-2201. The combined total number of mills levied under this section and for the county poor fund under  
 29 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537,  
 30 [section 1], or 53-2-322. If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized

1 by this section may not be imposed on property within that hospital district.

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

10

11 **Section 18.** Section 7-6-2513, MCA, is amended to read:

12 **"7-6-2513. County public safety levy -- purpose.** ~~The~~ Subject to [section 1], the board of county  
 13 commissioners may, annually at the time of levying county taxes, fix and levy a tax on all property within the  
 14 county for the purpose of providing for the public safety of citizens. The tax must be used to support county law  
 15 enforcement services and to maintain county detention centers. Money received from the tax must be placed in  
 16 a special account to be used for the purposes of this section."

17

18 **Section 19.** Section 7-6-2522, MCA, is amended to read:

19 **"7-6-2522. All-purpose levy -- maximum.** (1) The all-purpose levy is an annual levy upon the taxable  
 20 value of all property in the county subject to taxation for county purposes in lieu of the levies specified in 7-6-2523.  
 21 ~~The~~ Subject to [section 1], the all-purpose levy may not exceed the lesser of:

22

(a) 55 mills on the dollar; or

23

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

25

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

28

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

30

~~**"7-6-4209. Manner of making payment for judgments against municipalities.** (1) On receipt of the~~

1 ~~certificate of a justice of the peace or the clerk of the court in which any judgment is rendered, showing the~~  
 2 ~~amount of a judgment against a municipality and the date of its entry, the governing body shall direct that the~~  
 3 ~~amount of the judgment be paid from the general fund if there is sufficient money in the general fund to pay the~~  
 4 ~~judgment, exclusive of the appropriations for the current fiscal year.~~

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

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

11  
 12 **Section 20.** Section 7-6-4232, MCA, is amended to read:

13 **"7-6-4232. Fixing of tax levy -- exception.** (1) On or before the second Monday in August and after the  
 14 approval and adoption of the final budget, the council shall, subject to [section 1], fix the tax levy for each fund  
 15 at a rate, not exceeding limits prescribed by law, that will raise the amount set out in the budget as the amount  
 16 necessary to be raised by tax levy for that fund during the current fiscal year. The taxable valuation of the city for  
 17 the current fiscal year must be the basis for determining the amount of the tax levy for each fund, and each tax  
 18 levy must be at a rate not higher than is required on that basis, without including any amount for anticipated tax  
 19 delinquency, to raise the amount set out in the budget.

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

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

26 (4) This section does not apply to a municipality that has adopted the alternative accounting method  
 27 provided for in Title 7, chapter 6, part 6."  
 28

29 **Section 21.** Section 7-6-4259, MCA, is amended to read:

30 **"7-6-4259. Budgets of appointed boards and commissions -- exemption for bonds.** (1) With Subject

1 to [section 1] and with respect to tax and fee money, the proposed budget of and the number of mills to be  
2 assessed by any board, commission, or other governing entity, except a board of trustees of a public library and  
3 an airport authority, appointed by a local government are subject to approval by that local government.

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

9  
10 **Section 22.** Section 7-6-4261, MCA, is amended to read:

11 **"7-6-4261. Determination of fund requirements to be met by tax levy.** (1) Following the  
12 determinations required by 7-6-4260, the governing body shall determine the amount to be raised for each fund  
13 for which a tax levy is to be made by adding the cash balance in excess of outstanding unpaid warrants at the  
14 close of the preceding fiscal year and the amount of the estimated ~~revenues~~ revenue, if any, to accrue to the fund  
15 during the current fiscal year. It shall then deduct the total amount obtained from the total amount of the  
16 appropriations and authorized expenditures from the fund as determined by the governing body in the budget  
17 adopted and approved. The amount remaining is the amount necessary to be raised for any fund by tax levy  
18 during the current fiscal year.

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

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

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

1

2 ~~Section 34.~~ Section 7-6-4272, MCA, is amended to read:

3 ~~"7-6-4272. Emergency expenditures. (1) All emergency expenditures must be charged to the~~  
4 ~~emergency budget appropriations adopted by a three-fourths majority of the members present at a meeting of~~  
5 ~~a governing body.~~

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

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

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

18 ~~(b) The governing body may submit the question of funding the emergency warrants at an election as~~  
19 ~~provided by law. If possible, the election must be held in conjunction with a regular or primary election. If at the~~  
20 ~~election the issuing of the funding bonds is authorized, it is not necessary for any levy to be made for the purpose~~  
21 ~~of paying the emergency warrants.~~

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

24

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

26 ~~"7-6-4401. General taxing power of municipalities. The Subject to [section 1], the city or town council~~  
27 ~~has power to may levy and collect taxes for general and special purposes on all property within the town or city~~  
28 ~~or town subject to taxation under the laws of the state."~~

29

30 ~~Section 36.~~ Section 7-6-4405, MCA, is amended to read:

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

4  
 5 **SECTION 23.** SECTION 7-6-4401, MCA, IS AMENDED TO READ:

6 **"7-6-4401. General taxing power of municipalities.** The SUBJECT TO [SECTION 1], THE city or town  
 7 council ~~has power to~~ MAY levy and collect taxes for general and special purposes on all property within the ~~town~~  
 8 ~~or city~~ OR TOWN subject to taxation under the laws of the state."

9  
 10 **Section 24.** Section 7-6-4406, MCA, is amended to read:

11 **"7-6-4406. Authority to levy special taxes and assessments.** The Subject to [section 1], the council  
 12 may ~~also~~ assess and levy the special taxes or assessments provided for in this title."

13  
 14 **Section 25.** Section 7-6-4407, MCA, is amended to read:

15 **"7-6-4407. Resolution to fix annual tax levy.** (1) The Subject to [section 1], the council ~~must~~ shall:

16 (a) on or before the second Monday of August of each year, by resolution determine the amount of the  
 17 city or town taxes for all purposes to be levied and assessed on the taxable property in the city or town for the  
 18 current fiscal year; and

19 (b) on or before the fourth Monday of August of each year, by resolution determine the amount of school  
 20 district taxes for all purposes to be levied and assessed on the taxable property in the city or town for the current  
 21 fiscal year.

22 (2) (a) Except as provided in subsection (2)(b), the city or town clerk ~~must~~ shall at once certify to the  
 23 county clerk a copy of the resolution, and the county treasurer ~~must~~ shall collect the taxes as provided in this part.

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

26  
 27 **Section 26.** Section 7-6-4421, MCA, is amended to read:

28 **"7-6-4421. Authorization for tax levy and collection by municipality.** (1) The Subject to [section 1],  
 29 the council has power to annually levy and collect taxes on all the property in the city or town taxable for state  
 30 and county purposes and may by ordinance provide for the levy and collection of the ~~same~~ taxes.

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

3  
 4 **Section 27.** Section 7-6-4438, MCA, is amended to read:

5 **"7-6-4438. Tax levy and expenditures for municipal and administrative purposes when limits on**  
 6 **municipal indebtedness exceeded.** (1) ~~At~~ Subject to [section 1], taxes levied and collected for municipal and  
 7 administrative purposes by any city or town in which the indebtedness equals or exceeds the limit allowed by  
 8 statute may be used in payment of current expenses during the fiscal year for which the taxes were levied; as  
 9 if a special levy had been made for each of the purposes. The council of ~~any such~~ the city or town may designate  
 10 the amount of the general levy applicable to each of the purposes. The amount ~~so~~ designated constitutes a  
 11 special fund for the special purpose of paying the expenses incurred for the purpose. The expenses ~~shall be~~ are  
 12 payable only out of the fund ~~and not otherwise~~.

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

15 ~~(3)~~(2) Any Subject to [section 1], a city, the indebtedness of which equals or exceeds the limit allowed  
 16 by statute, may levy and collect special taxes for municipal and administrative purposes, and the city council in  
 17 making special levies shall designate the amount ~~thereof~~ for each of the purposes, ~~and each~~. Each tax, when  
 18 collected, constitutes a fund out of which the expenses incurred for the purpose for which the tax was levied ~~shall~~  
 19 must be paid. The expenses incurred for any particular purpose ~~shall~~ may be paid only out of the specified fund  
 20 ~~provided therefor and not otherwise."~~

21  
 22 **Section 28.** Section 7-6-4452, MCA, is amended to read:

23 **"7-6-4452. Maximum all-purpose mill levy.** ~~Except~~ Subject to [section 1] and except as provided  
 24 ~~elsewhere by law,~~ the cities and towns ~~of the state of Montana~~ may make an all-purpose annual levy upon the  
 25 taxable value of all the property in the cities and towns subject to taxation for municipal purposes in lieu of the  
 26 multiple levies ~~now~~ authorized by statute. The total of the all-purpose levy may not exceed 65 mills on the dollar."

27  
 28 **Section 29.** Section 7-6-4453, MCA, is amended to read:

29 **"7-6-4453. Certain special mill levies also available.** (1) The all-purpose mill levy ~~shall not and may~~  
 30 does not include the levies imposed for bonded indebtedness, to pay judgments or tax protest refunds, or for

1 special improvement district revolving funds of municipalities; ~~which~~ Subject to [section 1], additional levies may  
 2 be made in addition to the all-purpose levy, as provided in subsection (2). Sections 7-6-4451 through 7-6-4455  
 3 ~~shall~~ may not be construed as repealing those statutes providing for multiple separate levies.

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

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

10

11 ~~Section 43. Section 7-7-2202, MCA, is amended to read:~~

12 ~~"7-7-2202. Authority to issue general obligation bonds to satisfy judgments. (1) The Subject to~~  
 13 ~~[section 1], the board of county commissioners of every county of the state is hereby vested with the power and~~  
 14 ~~authority to may issue, negotiate, and sell coupon bonds on the credit of the county, as more specifically provided~~  
 15 ~~in this part, for the purpose of funding, paying in full, or compromising, settling, and satisfying any judgment which~~  
 16 ~~that may have been rendered against the county in a court of competent jurisdiction, including the repayment of~~  
 17 ~~tax protests lost by the county, when:~~

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

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

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

24

25 **Section 30.** Section 7-11-1106, MCA, is amended to read:

26 **"7-11-1106. Ordinance and petition requirements.** An ordinance or petition for an ordinance to  
 27 authorize a multijurisdictional service district must include:

28 (1) the name of the proposed district;

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

30 (3) a statement of convenience and necessity;



- 1 (4) a boundary map of the proposed district;
- 2 (5) estimated costs of services and methods of financing the district;
- 3 (6) the method of administering the proposed district; and
- 4 (7) subject to [section 1], the maximum property tax mill levy for property taxes in the district."

5

6 **Section 31.** Section 7-11-1112, MCA, is amended to read:

7 **"7-11-1112. Financing.** (1) ~~Local~~ Subject to [section 1], local governments organizing a

8 multijurisdictional service district are authorized to levy property taxes in an amount not to exceed that authorized

9 for the district in 7-11-1106; and to appropriate funds derived from other than general tax revenues for the

10 operation of the district. ~~Property~~ Subject to [section 1], property taxes levied for a library established under this

11 part as a multijurisdictional service must be added to taxes levied under 22-1-304.

12 (2) A property tax levied for the purpose of financing the district must, for all agricultural property having

13 an area greater than 10 acres, be levied only on the principal residential dwelling, if any, on ~~such~~ the property."

14

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

16 ~~"7-12-1132. Annual budget and work plan -- approval -- procedure -- tax.~~ (1) ~~At a time determined~~

17 ~~by the governing body, the board shall submit to the governing body for approval a work plan and budget for the~~

18 ~~ensuing fiscal year.~~

19 ~~(2) Following public notice that a work plan and budget have been submitted and that the governing body~~

20 ~~will levy an assessment to defray the cost of the work plan and budget, the governing body shall hold a public~~

21 ~~hearing on objections to the work plan and budget. After the hearing, the governing body may modify the work~~

22 ~~plan and budget as it considers necessary and appropriate.~~

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

24 ~~thereof for the next fiscal year, the governing body shall by resolution levy an assessment upon all of the property~~

25 ~~in the district using as a basis one of the methods prescribed in 7-12-1133.~~

26 ~~(4) A copy of the resolution shall must be delivered to the treasurer of the local government to be placed~~

27 ~~on the tax roll, and the assessment must be collected in the same manner as other taxes."~~

28

29 ~~Section 47.~~ Section 7-12-1133, MCA, is amended to read:

30 ~~"7-12-1133. Assessment of costs -- area, lot, taxable valuation, and square footage options.~~ (1)

1 At the same time ~~that~~ the board submits the annual budget and work plan to the governing body as provided in  
 2 7-12-1132, the board shall also recommend to the governing body a method of levying an assessment on the  
 3 property within the district which ~~that~~ will best ensure that the assessment on each lot or parcel is equitable in  
 4 proportion to the benefits to be received.

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

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

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

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

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

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

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

23  
 24 ~~——— **Section 48.** Section 7-12-2154, MCA, is amended to read:~~

25 ~~——— **"7-12-2154. Payment of damages incurred as a result of improvements.** Whenever the owner or  
 26 anyone interested in any property situated in the special improvement district, after filing with the county clerk a  
 27 written notice claiming that his ~~the person's~~ property has been damaged, is awarded or recovers any amount  
 28 because of damages sustained by the property because of the construction of any improvement in the special  
 29 improvement district:~~

30 ~~——— (1) before the resolution levying the assessment to defray the cost of making the improvement in the~~

1 district is passed and adopted by the board of county commissioners, subject to [section 1], the amount ordered  
 2 to be recovered shall must be added to and constitute a part of making the improvements; but  
 3 ~~—— (2) subject to [section 1], if the resolution levying the assessment to defray the cost and expenses of~~  
 4 ~~making the improvement has been passed and adopted by the board, it shall pass and adopt a supplemental~~  
 5 ~~resolution levying an additional assessment against the property in the district for the purpose of paying the~~  
 6 ~~amount awarded and the supplemental resolution shall must be made in the same manner and prepared and~~  
 7 ~~certified the same as the original resolution levying the assessment to defray the cost of making the~~  
 8 ~~improvements."~~

9  
 10 ~~—— **Section 49.** Section 7-12-2158, MCA, is amended to read:~~

11 ~~—— **"7-12-2158. Resolution for levy and assessment of tax.** (1) To Subject to [section 1] and to defray~~  
 12 ~~the cost of making or acquiring improvements in any special improvement district, the board of county~~  
 13 ~~commissioners shall by resolution levy and assess a tax upon all benefited property in the district created for such~~  
 14 ~~the specified purpose, by using for a basis for such the assessment the method or methods provided for by this~~  
 15 ~~part and described in the resolution of intention.~~

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

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

21  
 22 ~~—— **Section 50.** Section 7-12-2161, MCA, is amended to read:~~

23 ~~—— **"7-12-2161. Payment of maintenance costs -- resolution for assessment and for change of**~~  
 24 ~~**boundaries -- assessment for administrative costs.** (1) It is the duty of the board of county commissioners to~~  
 25 ~~estimate, as near as practicable, the cost of maintaining, preserving, or repairing the improvements in each~~  
 26 ~~district for each year beginning January 1 or another time as it may appear necessary.~~

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

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

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

6 ~~—— (5) The board shall include in the estimated cost of maintaining the district the lesser of \$500 or 5% of~~  
 7 ~~the annual assessment of the district. The amount determined by the board under this subsection is to defray the~~  
 8 ~~costs incurred by the county in administering the maintenance district and is a cost of maintenance. The board~~  
 9 ~~shall annually pay the amount determined under this subsection to the county treasurer for deposit in the county~~  
 10 ~~general fund."~~

11  
 12 ~~—— **Section 51.** Section 7-12-2165, MCA, is amended to read:~~

13 ~~—— **"7-12-2165. Procedure to correct assessment and relevy and collect tax.** (1) Whenever Subject to~~  
 14 ~~[section 1], whenever, by reason of any alleged nonconformity to law or by reason of any omission or irregularity,~~  
 15 ~~any special tax or assessment is either invalid or its validity is questioned, the board of county commissioners~~  
 16 ~~may make all necessary orders and may take all necessary steps to correct, reassess, and relevy the same,~~  
 17 ~~including the ordering of work, with the same force and effect as if made at the time provided by the law or~~  
 18 ~~resolution relating thereto. The board may reassess and relevy the tax or assessment with the same force and~~  
 19 ~~effect as an original levy:~~

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

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

27  
 28 ~~—— **Section 52.** Section 7-12-2167, MCA, is amended to read:~~

29 ~~—— **"7-12-2167. Term of payment of assessments.** (1) Except Subject to [section 1] and except as~~  
 30 ~~provided in subsection (2) of this section, the payment of the assessment to defray the cost of constructing any~~

1 improvements in special improvement districts may be spread over a term of not to exceed 30 years.

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

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

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

11  
12 ~~———~~ **Section 53.** Section 7-12-2202, MCA, is amended to read:

13 ~~———"7-12-2202. Apportionment of costs of maintaining lighting system. (1) The Subject to [section 1],~~  
14 ~~the cost of the maintenance and operating service to said the rural improvement district for lighting may be~~  
15 ~~apportioned among the various tracts of land within said the improvement district:~~

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

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

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

23 ~~———(2) (a) Before the first Monday of September of each year, the board shall pass and finally adopt a~~  
24 ~~resolution levying and assessing upon all the property within the district an amount equal to the whole cost of~~  
25 ~~maintaining said the lighting system. The same shall levy and assessment must be proportioned against the~~  
26 ~~several tracts of land in said the district as provided in this part.~~

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

1 ~~Section 54.~~ Section 7-12-4102, MCA, is amended to read:

2 ~~"7-12-4102. Authorization for creation of special improvement districts. (1) The Subject to [section~~  
 3 ~~1], the city or town council has power to create special improvement districts, designating them by number; to~~  
 4 ~~extend the time for payment of assessments levied upon the districts for district improvements for a period not~~  
 5 ~~exceeding 20 years or, if refunding bonds are issued pursuant to 7-12-4194, for a period not exceeding 30 years;~~  
 6 ~~to make the assessments payable in installments; and to pay all expenses of whatever character incurred in~~  
 7 ~~making the improvements with special improvement warrants or bonds.~~

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

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

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

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

15 ~~(i) graded or regraded to the official grade;~~

16 ~~(ii) planked or replanked;~~

17 ~~(iii) paved or repaved;~~

18 ~~(iv) macadamized or remacadamized;~~

19 ~~(v) graveled or regraveled;~~

20 ~~(vi) piled or repiled;~~

21 ~~(vii) capped or recapped;~~

22 ~~(viii) surfaced or resurfaced;~~

23 ~~(ix) oiled or reoiled;~~

24 ~~(d) create special improvement districts and order the acquisition, construction, or reconstruction within~~  
 25 ~~the districts of:~~

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

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

- 1 ~~—— (iii) waterworks, water mains, and extensions of water mains;~~  
2 ~~—— (iv) pipes, hydrants, hose connections for irrigating purposes;~~  
3 ~~—— (v) appliances for fire protection;~~  
4 ~~—— (vi) tunnels, viaducts, conduits, subways, breakwaters, levees, retaining walls, bulkheads, and walls of~~  
5 ~~rock or other material to protect them from overflow or injury by water;~~  
6 ~~—— (vii) the opening of streets, avenues, and alleys and the planting of trees on the streets, avenues, and~~  
7 ~~alleys;~~  
8 ~~—— (e) create special improvement districts and order the construction or reconstruction in, over, or through~~  
9 ~~property or rights-of-way owned by the city of:~~  
10 ~~—— (i) tunnels, sewers, ditches, drains, conduits, and channels for sanitary and/or or drainage purposes, with~~  
11 ~~necessary outlets, cesspools, manholes, catchbasins, flush tanks, septic tanks, connection sewers, ditches,~~  
12 ~~drains, conduits, channels, and other appurtenances;~~  
13 ~~—— (ii) pipes and hose connections for irrigating; hydrants and appliances for fire protection;~~  
14 ~~—— (iii) breakwaters, levees, retaining walls, and bulkheads; and~~  
15 ~~—— (iv) walls of rock or other material to protect the streets, avenues, lanes, alleys, courts, places, public~~  
16 ~~ways, and other property in the city from overflow by water;~~  
17 ~~—— (f) create special improvement districts to make monetary advances or contributions to aid in the~~  
18 ~~construction of additional natural gas and electric distribution lines and telecommunications facilities in order to~~  
19 ~~extend those public utility services;~~  
20 ~~—— (g) create special improvement districts and order work to be done that is considered necessary to~~  
21 ~~improve the whole or a portion of the streets, avenues, sidewalks, alleys, places, or public ways, property, or~~  
22 ~~right-of-way of the city;~~  
23 ~~—— (h) create special improvement districts to acquire and improve by purchase, gift, bequest, lease, or other~~  
24 ~~means land to be designated as public park or open-space land;~~  
25 ~~—— (i) create special improvement districts for the conversion of overhead utilities to underground locations~~  
26 ~~in accordance with 69-4-311 through 69-4-314; and~~  
27 ~~—— (j) maintain, preserve, and care for any of the improvements authorized in this section.~~  
28 ~~—— (3) The city governing body may order and create special improvement districts covering projects~~  
29 ~~abutting the city limits and include properties outside the city where the special improvement district abuts and~~  
30 ~~benefits that property. Property owners within the proposed district boundaries outside the city may not be~~

1 included in the special improvement district if 40% of those property owners protest the creation of the special  
 2 improvement district. The property outside the city must be treated in a similar manner as with regard to  
 3 improvements, notices, and assessments as the property inside the city limits. A joint resolution of the city and  
 4 county must be passed agreeing to the terms of the special improvement district prior to passing the resolution  
 5 of intention or the resolution creating the special improvement district. A copy of the resolution of intention and  
 6 the resolution creating the special improvement district must be provided to the county commissioners upon the  
 7 passage of the respective resolutions."

8  
 9 ~~Section 55.~~ Section 7-12-4106, MCA, is amended to read:

10 ~~"7-12-4106. Notice of passage of resolution of intention.~~ (1) Upon having passed the resolution of  
 11 intention pursuant to 7-12-4104, the council shall give notice of the passage of the resolution of intention.

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

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

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

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

23 ~~(ii) subject to [section 1], a general tax levy may be imposed on all taxable property in the city or town~~  
 24 ~~to meet the financial requirements of the revolving fund.~~

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

28  
 29 ~~Section 56.~~ Section 7-12-4176, MCA, is amended to read:

30 ~~"7-12-4176. Resolution for tax levy upon district property.~~ (1) To Subject to [section 1] and to defray



1 the cost of making or acquiring improvements in any special improvement district or of acquiring property for  
 2 opening, widening, or extending any street or alley or to defray the cost and expense of changing any grade of  
 3 any street, avenue, or alley, the city council shall by resolution levy and assess a tax upon all benefited property  
 4 in any district created for such the authorized purpose, using for a basis for assessment the method or methods  
 5 set forth in 7-12-4161 through 7-12-4165 and described in the resolution of intention:

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

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

11  
 12 ~~———— **Section 57.** Section 7-12-4177, MCA, is amended to read:~~

13 ~~———— **"7-12-4177. Notice of resolution for tax levy -- protest and hearing.** (1) A notice signed by the city  
 14 clerk, stating that the resolution, subject to [section 1], levying the special assessment to defray the cost of such  
 15 the improvements is on file in his the clerk's office and subject to inspection for a period of 10 days, shall must  
 16 be:~~

17 ~~———— (a) published at least once in a newspaper published in the city or town;~~

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

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

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

25  
 26 ~~———— **Section 58.** Section 7-12-4178, MCA, is amended to read:~~

27 ~~———— **"7-12-4178. Hearing on resolution for tax levy.** (1) At the time so fixed, the council shall meet and hear  
 28 all such objections to the resolution for the levy and for that purpose may adjourn from day to day.~~

29 ~~———— (2) The Subject to [section 1], the council may by resolution modify such the assessment in whole or in  
 30 part. A copy of such the resolution, certified by the city clerk, must be delivered to the city treasurer within 2 days~~

1 after its passage."

2

3 ~~Section 59.~~ Section 7-12-4179, MCA, is amended to read:

4 ~~"7-12-4179. Payment of maintenance costs -- resolution for assessment.~~ (1) The Subject to [section  
5 1], the cost of maintaining each of the improvements shall must be paid by assessing the benefited properties  
6 of the district under a permissible assessment option as provided in 7-12-4162 through 7-12-4165.

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

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

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

18

19 ~~Section 60.~~ Section 7-12-4181, MCA, is amended to read:

20 ~~"7-12-4181. Collection of district assessments by county clerk -- certification.~~ (1) Except as  
21 provided in 7-12-4183, in each city or town where taxes for general, municipal, and administrative purposes are  
22 certified to and collected by the county treasurer in accordance with the provisions of 7-6-4407 immediately after  
23 the second Monday of August of each year, it is the duty of the city treasurer or town clerk to certify, at the same  
24 time that the copy of the resolution determining the annual levy for general taxes is certified by the city or town  
25 clerk to the county clerk as required by 7-6-4407, to the department of revenue all special assessments and taxes  
26 levied and assessed in accordance with any of the provisions of part 42 and this part.

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

30

1 ~~Section 61.~~ Section 7-12-4186, MCA, is amended to read:

2 ~~"7-12-4186. Procedure to correct assessment and relevy and collect tax.~~ (1) Whenever, by reason  
3 of any alleged nonconformity to any law or ordinance or by reason of any omission or irregularity, any special tax  
4 or assessment is either invalid or its validity is questioned, the council may make all necessary orders and  
5 ordinances and may take all necessary steps to correct the same tax or assessment and to reassess and relevy  
6 the same, including the ordering of work, with the same force and effect as if made at the time provided by law,  
7 ordinance, or resolution relating thereto to the tax or assessment. The Subject to [section 1], the council may  
8 reassess and relevy the same tax or assessment with the same force and effect as an original levy.

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

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

16  
17 ~~Section 62.~~ Section 7-12-4188, MCA, is amended to read:

18 ~~"7-12-4188. Due date for district assessments.~~ (1) All Subject to [section 1], all special assessments  
19 or installments of special assessments in cities and towns, duly and regularly levied by resolution according to  
20 law, shall be are payable in installments as follows:

21 ~~(a) one-half of the payment on or before 5 p.m. on November 30 of each year; and~~

22 ~~(b) one-half of the payment on or before 5 p.m. on May 31 of the following year.~~

23 ~~(2) In the event the same payments are not paid made on or before said the specified dates, the same~~  
24 ~~shall be payments are subject to the same interest and penalties for nonpayment as delinquent property taxes~~  
25 ~~under 15-16-102."~~

26  
27 ~~Section 63.~~ Section 7-12-4190, MCA, is amended to read:

28 ~~"7-12-4190. Payment of assessments in installments.~~ (1) The Subject to [section 1], the payment of  
29 assessments to defray the cost of acquiring or constructing any improvements in special improvement districts  
30 may be spread over a term of not to exceed 20 years.

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

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

9  
 10 ~~———**Section 64.** Section 7-12-4192, MCA, is amended to read:~~

11 ~~———**"7-12-4192. Change in outstanding principal of district -- relevy of assessments.** If Subject to~~  
 12 ~~[section 1], if proceeds of the bonds or warrants of the special improvement district, including investment income,~~  
 13 ~~are applied to the redemption and prepayment of the bonds or warrants, as provided in 7-12-4205 and 7-12-4206,~~  
 14 ~~or if refunding bonds are issued pursuant to 7-12-4194 and the principal amount of the outstanding bonds of the~~  
 15 ~~district is decreased or increased, the assessments levied in the district and then outstanding must be reduced~~  
 16 ~~or increased, respectively, pro-rata by the principal amount of the prepayment or the increment above or below~~  
 17 ~~the outstanding principal amount of bonds represented by the refunding bonds. If refunding bonds are issued,~~  
 18 ~~the assessments may be relevied over a term ending not later than either the final maturity date of the refunding~~  
 19 ~~bonds or the date 30 years after the date the bonds to be refunded were issued. The Subject to [section 1], the~~  
 20 ~~city council shall reassess and relevy the assessments, with the same effect as an original levy, in reduced or~~  
 21 ~~increased amounts in accordance with the provisions of 7-12-4176 through 7-12-4178."~~

22  
 23 ~~———**Section 65.** Section 7-12-4222, MCA, is amended to read:~~

24 ~~———**"7-12-4222. Sources of money for revolving fund.** (1) For the purpose of providing funds for the~~  
 25 ~~revolving fund, the city or town council:~~

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

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

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

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

14  
 15 ~~\_\_\_\_\_ **Section 66.** Section 7-12-4225, MCA, is amended to read:~~

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

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

21 ~~\_\_\_\_\_ (b) subject to 7-12-4222 to provide funds for the revolving fund pursuant to the provisions of~~  
 22 ~~7-12-4222(1) by:~~

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

24 ~~\_\_\_\_\_ (ii) annually making a loan from the general fund), subject to the maximum limitations imposed by~~  
 25 ~~7-12-4222(1).~~

26 ~~\_\_\_\_\_ (2) The undertakings and agreements referred to in subsection (1) are binding upon the city or town with~~  
 27 ~~respect to the special improvement district bonds or sidewalk, curb, and alley approach warrants until the earlier~~  
 28 ~~of:~~

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

- 1 ~~\_\_\_\_\_ (b) the date that is the later of:~~
- 2 ~~\_\_\_\_\_ (i) the final stated maturity date of the bonds or warrants; or~~
- 3 ~~\_\_\_\_\_ (ii) the date on which all special assessments levied in the district have been either paid or discharged.~~
- 4 ~~\_\_\_\_\_ (3) The discharge of delinquent special assessments levied with respect to a particular lot or parcel is~~
- 5 ~~considered to have occurred upon:~~
- 6 ~~\_\_\_\_\_ (a) the issuance of a tax deed, as provided in 15-18-214, or, if the county is the recipient of the tax deed,~~
- 7 ~~upon the sale, lease, or other disposition of the property by the county as provided in Title 7, chapter 8, part 22,~~
- 8 ~~23, 24, or 25, or other applicable law;~~
- 9 ~~\_\_\_\_\_ (b) the discharge of the trust pursuant to 15-17-318 or upon the sale or lease of the property under~~
- 10 ~~15-17-319 if the property in the district has been assigned to the city or town under Title 15, chapter 17, part 3;~~
- 11 ~~or~~
- 12 ~~\_\_\_\_\_ (c) payment in full of the allowed secured claim for the special assessments in a bankruptcy case in~~
- 13 ~~which the owner of the lot or parcel is the debtor.~~
- 14 ~~\_\_\_\_\_ (4) Prior to entering into the undertakings and agreements set forth in subsection (1), the city or town~~
- 15 ~~council shall take into consideration the following factors, including other circumstances that the city or town~~
- 16 ~~council may determine to be material to the public interest of securing the bonds or warrants by the revolving~~
- 17 ~~fund:~~
- 18 ~~\_\_\_\_\_ (a) the estimated market value of the lots, parcels, or tracts included in the district at the time that the~~
- 19 ~~district is created in comparison to the estimated market value of the lots, parcels, or tracts after the~~
- 20 ~~improvements are made;~~
- 21 ~~\_\_\_\_\_ (b) the diversity of ownership of property in the district;~~
- 22 ~~\_\_\_\_\_ (c) the amount of the special assessments proposed to be levied against each lot, parcel, or tract in the~~
- 23 ~~district in comparison to the estimated market value of the lot, parcel, or tract after the improvements are made;~~
- 24 ~~\_\_\_\_\_ (d) the amount of any outstanding special assessments against the property in the district;~~
- 25 ~~\_\_\_\_\_ (e) the amount of delinquencies in the payment of outstanding special assessments or property taxes~~
- 26 ~~levied against property in the district;~~
- 27 ~~\_\_\_\_\_ (f) the public benefit of the improvements proposed to be financed; and~~
- 28 ~~\_\_\_\_\_ (g) in the case of a district created to make improvements in a newly platted subdivision:~~
- 29 ~~\_\_\_\_\_ (i) the prior subdivision development experience and credit rating or credit history of the person~~
- 30 ~~developing the land; and~~

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

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

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

11  
 12       ~~———~~ **Section 67.** ~~Section 7-12-4328, MCA, is amended to read:~~

13       ~~———"7-12-4328. Resolution to provide for assessment of costs of installation. (1) It shall be is the duty~~  
 14       ~~of the city or town council to ascertain the cost of installing such a lighting system and, on or before the first~~  
 15       ~~Monday in October, to pass and finally adopt a resolution levying and assessing all of the property embraced~~  
 16       ~~within said the district with all or any portion of the entire cost of installing the same; system. Subject to [section~~  
 17       ~~1], each lot or parcel of land in said the district to must be assessed in accordance with the method adopted by~~  
 18       ~~the city council as provided in 7-12-4321 through 7-12-4324.~~

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

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

25  
 26       ~~———~~ **Section 68.** ~~Section 7-12-4332, MCA, is amended to read:~~

27       ~~———"7-12-4332. Resolution to provide for assessment of maintenance costs. It shall be is the duty of~~  
 28       ~~the city or town council to estimate, as nearly as practicable, the cost of maintaining such lights and furnishing~~  
 29       ~~electrical current therefor for the lights each year and the portion thereof of the cost to be assessed against the~~  
 30       ~~property embraced within the district; and, Subject to [section 1] and before the first Monday in October, to the~~

1 ~~city or town council shall pass and finally adopt a resolution levying and assessing said property within said the~~  
 2 ~~district with an amount equal to the proportion of the cost of such maintenance and electrical current so~~  
 3 ~~determined to be especially assessed against said the property."~~

4  
 5 ~~Section 69.~~ Section 7-12-4333, MCA, is amended to read:

6 ~~"7-12-4333. Procedure for resolution for assessment of maintenance costs. Said Subject to [section~~  
 7 ~~1], a resolution levying and assessing said the portion of the cost of maintenance and for furnishing electrical~~  
 8 ~~current therefor shall for the lighting district must be prepared and certified to in the same manner as the~~  
 9 ~~resolution provided for in 7-12-4328 through 7-12-4330, and the same notice and hearing shall must be given~~  
 10 ~~thereon. This resolution shall must be adopted and certified and the assessment collected in the same manner,~~  
 11 ~~as nearly as may be possible, in the case of the resolution provided for in 7-12-4328 through 7-12-4331."~~

12  
 13 ~~Section 70.~~ Section 7-12-4425, MCA, is amended to read:

14 ~~"7-12-4425. Resolution for assessment of costs of maintenance. (1) The city council shall estimate,~~  
 15 ~~as near as practicable, the cost of maintenance in each established district annually, not later than the second~~  
 16 ~~Monday in August. The Subject to [section 1], the council shall pass and finally adopt a resolution specifying the~~  
 17 ~~district assessment option and levying and assessing all the property within the several districts with an amount~~  
 18 ~~equal to not less than 75% of the entire cost of said the work.~~

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

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

23  
 24 ~~Section 71.~~ Section 7-12-4611, MCA, is amended to read:

25 ~~"7-12-4611. Resolution for assessment -- assessment options. The city or town council shall~~  
 26 ~~estimate, as nearly as practicable, the entire cost of installing and maintaining fire hydrants each year and the~~  
 27 ~~portion thereof of the cost to be assessed against the property within the district. Before the first Monday in~~  
 28 ~~October, the council must shall pass and finally adopt a resolution levying and assessing the property within the~~  
 29 ~~district. The Subject to [section 1], the city or town council, for the purpose of making the assessment, shall adopt~~  
 30 ~~one of the following methods:~~



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

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

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

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

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

16  
 17       ~~—— **Section 72.** Section 7-13-124, MCA, is amended to read:~~

18       ~~—— **"7-13-124. Resolution to assess and levy tax for making improvements.** (1) To Subject to [section~~  
 19       ~~1] and to defray the cost of making improvements in any special improvement district, the board of county~~  
 20       ~~commissioners shall by resolution levy and assess a tax upon all property in the district created for such that~~  
 21       ~~purpose by using for a basis for such the assessment the method provided for by this part.~~

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

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

27  
 28       ~~—— **Section 73.** Section 7-13-144, MCA, is amended to read:~~

29       ~~—— **"7-13-144. Resolution to establish service charges -- hearing -- limitations and tax levy.** The board~~  
 30       ~~of county commissioners shall have authority may, subject to the provisions of Title 69, chapter 7, by resolution~~

1 and after public hearing:

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

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

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

11

12 ~~—— **Section 74.** Section 7-13-216, MCA, is amended to read:~~

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

17

18 ~~—— **Section 75.** Section 7-13-221, MCA, is amended to read:~~

19 ~~—— **"7-13-221. Powers related to district finances.** Any district incorporated as provided in this part shall~~  
 20 ~~have power to may:~~

21 ~~—— (1) accept funds and property or other assistance, financial or otherwise, from federal, state, and other~~  
 22 ~~public or private sources for the purposes of aiding the construction or maintenance of water or sewer~~  
 23 ~~development projects;~~

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

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

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

1 part 23 ~~and this part~~ in the manner provided in this part and part 23 ~~and this part.~~"

2  
3 ~~Section 76.~~ Section 7-13-2302, MCA, is amended to read:

4 ~~"7-13-2302. Levy of taxes to meet bond obligations and other expenses.~~ (1) If from any cause the  
5 revenues ~~revenue~~ of the district shall be ~~is~~ inadequate to pay the interest or principal of ~~or interest on~~ any bonded  
6 debt as it becomes due or any other expenses or claims against the district, then the board of directors ~~must shall~~  
7 (at least 15 days before the first day of the month in which the board of county commissioners of the county, city  
8 and county, or counties in which such ~~the~~ district is located are required by law to levy the amount of taxes  
9 required for county or city and county purposes) furnish to the board or boards of county commissioners and to  
10 the auditor or auditors, respectively, an estimate in writing:

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

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

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

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

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

22 ~~(b) until all other expenses or claims are fully paid ~~and subject to [section 1],~~ levy upon all of the lands~~  
23 ~~of the district and cause to be collected the proportionate share to be borne by the land located in their county~~  
24 ~~of a tax sufficient for the payment thereof of the expenses or claims, to be known as the ..... district water and/or~~  
25 ~~or sewer tax or district water and sewer tax.~~

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

1 ~~Section 77.~~ Section 7-13-2528, MCA, is amended to read:

2 ~~"7-13-2528. Financial administration of district.~~ (1) The board of trustees shall, from any list prepared  
3 by the department of revenue as required by 7-13-2527, remove the names of any persons who have claimed  
4 exemption under this part prior to September 1 and shall prepare a budget for the expenses for the next year.

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

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

16  
17 ~~Section 78.~~ Section 7-13-3020, MCA, is amended to read:

18 ~~"7-13-3020. Resolution to assess and levy tax for making improvements.~~ (1) ~~To Subject to [section  
19 1] and to defray the cost of making improvements in the district, the governing body shall by resolution levy and  
20 assess a tax upon all property in the district created for the purpose of the system by using as a basis for the  
21 assessment the method provided for by this part.~~

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

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

27  
28 ~~Section 79.~~ Section 7-13-3027, MCA, is amended to read:

29 ~~"7-13-3027. Resolution to establish service charges -- hearing -- limitations and tax levy.~~ The  
30 governing body may, subject to the provisions of Title 69, chapter 7, by resolution and after public hearing:

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

4 ~~\_\_\_\_\_ (2) establish an additional charge for the operation and maintenance of a system and a plant; and~~

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

9  
 10 ~~\_\_\_\_\_ **Section 80.** Section 7-13-4309, MCA, is amended to read:~~

11 ~~\_\_\_\_\_ **"7-13-4309. Procedure to collect sewer charges.** (1) The sewer charges must be collected by the~~  
 12 ~~treasurer.~~

13 ~~\_\_\_\_\_ (2) On or before July 15 of each year, notice must be given by the city treasurer or town clerk to the~~  
 14 ~~owners of all lots or parcels of real estate to which sewer service has been furnished prior to July 1 by the city~~  
 15 ~~or town. The notice must specify the assessment owing and in arrears at the time of giving notice. The notice~~  
 16 ~~must be in writing and must state the amount of arrearage, including any penalty and interest assessed pursuant~~  
 17 ~~to the provisions of the city or town ordinance, and that subject to [section 1], unless the amount is paid by August~~  
 18 ~~15, the amount will be levied as a tax against the lot or parcel of real estate to which sewer service was furnished~~  
 19 ~~and for which payment is delinquent. The notice must also state that the city or town may by suit collect past-due~~  
 20 ~~assessments, interest, and penalties, as a debt owing the city or town, in any court of competent jurisdiction,~~  
 21 ~~including city court. The notice may be delivered to the owner personally or by letter addressed to the owner at~~  
 22 ~~the post-office address of the owner as shown in property tax records maintained by the department of revenue.~~

23 ~~\_\_\_\_\_ (3) (a) Except as provided in subsection (3)(b), on September 1, the city treasurer or town clerk shall~~  
 24 ~~certify and file with the department of revenue a list of all lots or parcels of real estate, giving the legal description~~  
 25 ~~of the lot or parcel, to the owners of which notices of arrearage in payments were given and which arrearage~~  
 26 ~~remains unpaid and stating the amount of the arrearage, including any penalty and interest. The department of~~  
 27 ~~revenue shall insert the amount as a tax against the lot or parcel of real estate.~~

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

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

4  
 5 ~~———— **Section 81.** Section 7-13-4406, MCA, is amended to read:~~

6 ~~———— **"7-13-4406. Control over territory occupied by water supply system -- taxation and condemnation**~~  
 7 ~~**powers.** (1) Cities and towns shall have jurisdiction and control over the territory:~~

8 ~~———— (a) occupied by their public works;~~

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

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

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

17  
 18 **Section 32.** Section 7-14-111, MCA, is amended to read:

19 **"7-14-111. Transportation for senior citizens and persons with disabilities.** (1) ~~A~~ Subject to [section  
 20 1], a county, urban transportation district, or municipality may, in addition to all other property tax levies authorized  
 21 by law, levy up to 1 mill of property taxes to fund special transportation services for senior citizens and persons  
 22 with disabilities.

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

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

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

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

1 disabilities.

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

5

6 **Section 33.** Section 7-14-232, MCA, is amended to read:

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

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

12

13 **Section 34.** Section 7-14-1111, MCA, is amended to read:

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

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

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

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

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

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

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

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

9  
 10 **Section 35.** Section 7-14-1131, MCA, is amended to read:

11 **"7-14-1131. Municipal tax levy.** ~~The Subject to [section 1], the port authority may request annually from~~  
 12 ~~the governing bodies the amount of tax to be levied by each municipality participating in the creation of the port~~  
 13 ~~authority, and the municipality may levy the amount requested, pursuant to provisions of law authorizing cities~~  
 14 ~~and other political subdivisions of this state to levy taxes. The levy made may not exceed the maximum levy~~  
 15 ~~permitted by 67-10-402 for port purposes or any lower limit that may have been established by the municipality~~  
 16 ~~or municipalities in the resolution creating the authority. The municipality shall collect the taxes requested by a~~  
 17 ~~port authority that it has authorized in the same manner as other taxes are levied and collected and make~~  
 18 ~~payment to the port authority. The proceeds of ~~such the~~ taxes when and as paid to the port authority must be~~  
 19 ~~deposited in a special account or accounts in which other ~~revenues~~ revenue of the authority ~~are is~~ deposited and~~  
 20 ~~may be expended by the authority as provided for in this part. Prior to the issuance of bonds under 7-14-1133~~  
 21 ~~and 7-14-1134, the port authority or the municipality may by resolution covenant and agree that the total amount~~  
 22 ~~of ~~such~~ taxes then authorized by law, or ~~such the~~ portion thereof ~~as of the taxes that~~ may be specified by the~~  
 23 ~~resolution, will be requested, levied, and deposited annually as provided in this section until the bonds and~~  
 24 ~~interest thereon are fully paid."~~

25  
 26 **Section 36.** Section 7-14-2101, MCA, is amended to read:

27 **"7-14-2101. General powers of county relating to roads and bridges.** (1) The board of county  
 28 commissioners, under ~~such~~ limitations and restrictions as are prescribed by law, may:

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

30 (ii) subject to [section 1], levy taxes therefor for county roads and bridges within the county as provided



1 by law;

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

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

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

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

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

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

16

17 **Section 37.** Section 7-14-2205, MCA, is amended to read:

18 **"7-14-2205. Construction of bridge in municipality -- election.** (1) Before undertaking the construction  
19 in any city or town of any bridge, the cost of which exceeds \$10,000, the board of county commissioners shall  
20 submit to the qualified electors of the county at a general election or a special election held in conjunction with  
21 a regular or primary election the question of whether the bridge is to be constructed and paid for by the county.

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

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

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

28

29 **Section 38.** Section 7-14-2501, MCA, is amended to read:

30 **"7-14-2501. General road tax authorized.** (1) ~~To~~ Subject to [section 1] and to raise revenue for the

1 construction, maintenance, or improvement of public highways, each board of county commissioners may levy  
 2 a general tax upon the taxable property in the county of not more than 20 mills, except in counties of the fourth,  
 3 fifth, sixth, and seventh class ~~counties~~, which may levy not more than 23 mills, payable to the county treasurer.  
 4 The tax ~~from freeholders shall~~ must be collected the same as other taxes, ~~and from nonfreeholders~~, as the board  
 5 may direct.

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

8 (3) All money collected under this section ~~shall belong to~~ must be deposited in the county road fund."  
 9

10 **Section 39.** Section 7-14-2502, MCA, is amended to read:

11 **"7-14-2502. Special bridge tax authorized -- combined ferry and bridge fund.** (1) ~~Each~~ Subject to  
 12 [section 1], a board may levy a special tax not to exceed 8 mills on all taxable property in the county for the  
 13 purpose of constructing, maintaining, and repairing free public bridges, which includes those bridges within the  
 14 municipalities.

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

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

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

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

23 (4) These taxes must be levied and collected in the same manner as other taxes. Except when the  
 24 county has a combined ferry and bridge fund, the money ~~shall~~ must be kept as a special bridge fund, subject to  
 25 the order of the board for use as ~~herein~~ provided in this section, and ~~shall~~ may not be transferable to any other  
 26 fund.

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

1 chapter 14, part 28."

2

3 **Section 40.** Section 7-14-2503, MCA, is amended to read:

4 **"7-14-2503. Special municipal bridge tax authorized.** Each Subject to [section 1], a board may levy  
5 a special tax not to exceed 5 mills on the taxable property in the county to defray the costs of any bridge required  
6 to be constructed and maintained by the county in any city or town."

7

8 ~~Section 91.~~ Section 7-14-2731, MCA, is amended to read:

9 ~~"7-14-2731. Assessment and lien upon lands benefited by road.~~ (1) ~~The~~ Subject to [section 1], the  
10 board shall levy and cause to be collected an assessment upon all parcels of land specifically benefited by the  
11 laying out, opening, construction, or improvement, for paying the costs thereof of the road.

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

14

15 **Section 41.** Section 7-14-2801, MCA, is amended to read:

16 **"7-14-2801. General powers of county relating to ferries.** The board of county commissioners, under  
17 ~~such~~ limitations and restrictions as are prescribed by law, may:

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

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

23

24 **Section 42.** Section 7-14-2807, MCA, is amended to read:

25 **"7-14-2807. Tax levy for public ferry -- combined ferry and bridge fund.** (1) ~~If~~ Subject to [section 1],  
26 if a county owns or operates a public ferry, the board of county commissioners may levy a special tax, not to  
27 exceed 2 mills on the dollar, on the taxable property of the county for the purpose of constructing, maintaining,  
28 and repairing public ferries.

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

1

2 ~~Section 94.~~ Section 7-14-4106, MCA, is amended to read:

3 ~~"7-14-4106. Payment for cost of removing waste.~~ (1) The ~~Subject to [section 1], the~~ city or town  
4 council has power to provide for levying the cost of the removal provided for in 7-14-4105(2) as a special tax  
5 against the property from which such ~~the~~ matter was deposited:

6 ~~(2) The city or town council may further, until full liquidation is realized, include in such tax an amount~~  
7 ~~not to exceed 20% of any floating indebtedness consisting of valid outstanding warrants drawn and issued against~~  
8 ~~the fund or funds used to defray the expense of removing such matter, existing at the close of business on June~~  
9 ~~30, 1943, together with not to exceed such per centum of the current interest thereon from such last-mentioned~~  
10 ~~date. The money derived from such portion of such levy and assessment for such additional amount, if included~~  
11 ~~in such tax, may only be expended toward liquidating such floating indebtedness, together with the interest~~  
12 ~~thereon, and not otherwise."~~

13

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

15 ~~"7-14-4643. Sources of revenue for payment of revenue bonds.~~ (1) No revenue ~~Revenue~~ bonds  
16 authorized by 7-14-4641 or the interest thereon shall ~~on the bonds may not~~ be payable from or secured by a  
17 pledge or mortgage of any funds or properties of the city except those expressly enumerated in subsection (2).

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

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

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

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

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

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

29 ~~(f) subject to [section 1], from the collections of special assessments and interest thereon on the~~  
30 ~~assessments levied to finance the cost of parking facilities under any of the provisions of parts 41 through 45 of~~

chapter 12 and part 47 of this chapter which that may be pledged and appropriated by or under authority of the legislative body for the payment of revenue bonds issued under the provisions of this section and that are not pledged for the payment of special improvement district bonds;

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

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

— (i) any combination of these sources."

— ~~Section 96.~~ Section 7-14-4644, MCA, is amended to read:

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

**Section 43.** Section 7-14-4703, MCA, is amended to read:

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

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**Section 44.** Section 7-14-4713, MCA, is amended to read:

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

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

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

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

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

**Section 45.** Section 7-14-4734, MCA, is amended to read:

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

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

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

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

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

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

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**Section 46.** Section 7-15-4281, MCA, is amended to read:

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

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

(i) the federal government;

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

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

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

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

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

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

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

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

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

1 ~~Section 101.~~ Section 7-15-4283, MCA, is amended to read:

2 ~~"7-15-4283. Definitions related to tax increment financing.~~ For purposes of 7-15-4282 through  
3 7-15-4292 and 7-15-4297 through 7-15-4299, the following definitions apply unless otherwise provided or  
4 indicated by the context:

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

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

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

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

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

16 ~~(6) "Municipality", for the purpose of an industrial district created pursuant to 7-15-4297 through~~  
17 ~~7-15-4299 and operating pursuant to 7-15-4282 through 7-15-4293 and part 43 of this chapter, means any~~  
18 ~~incorporated city or town, county, or city-county consolidated local government.~~

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

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

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

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

28  
29 ~~Section 102.~~ Section 7-15-4286, MCA, is amended to read:

30 ~~"7-15-4286. Procedure to determine and disburse tax increment. (1) Mill rates of taxing bodies for~~



1 taxes levied after the effective date of the tax increment provision must be calculated on the basis of the sum of  
 2 the taxable value, as shown by the last equalized assessment roll, of all taxable property located outside the  
 3 urban renewal area or industrial district and the base taxable value of all taxable property located within the urban  
 4 renewal area or industrial district. The mill rate determined must be levied against the sum of the actual taxable  
 5 value of all taxable property located within as well as outside the urban renewal area or industrial district.

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

11 ~~—— (b) The balance of the taxes collected in each year must be paid to each of the taxing bodies as~~  
 12 ~~otherwise provided by law."~~

13  
 14 ~~—— **Section 103.** Section 7-15-4292, MCA, is amended to read:~~

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

17 ~~—— (a) the 15th year following its adoption or, if the tax increment provision was adopted prior to January~~  
 18 ~~1, 1980, upon the 17th year following adoption; or~~

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

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

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

27 ~~—— (4) Bonds secured in whole or in part by a tax increment provision may not be issued after the 15th~~  
 28 ~~anniversary of tax increment provisions adopted after January 1, 1980, and the 17th anniversary of tax increment~~  
 29 ~~provisions adopted prior to January 1, 1980. However, if bonds secured by a tax increment provision are~~  
 30 ~~outstanding on the applicable anniversary, additional bonds secured by the tax increment provision may be~~

1 issued if the final maturity date of the bonds is not later than the final maturity date of any bonds then outstanding  
 2 and secured by the tax increment provision."  
 3

4 **SECTION 47. SECTION 7-15-4324, MCA, IS AMENDED TO READ:**

5 **"7-15-4324. Special bond provisions when tax increment financing is involved.** (1) Bonds issued  
 6 under this part for which a tax increment is pledged pursuant to 7-15-4282 through 7-15-4292 ~~shall~~ must be  
 7 designed to mature not later than 25 years from their date of issue and ~~shall~~ must mature in ~~such~~ years and  
 8 amounts so that the principal and interest due on the bonds in each year ~~shall~~ may not exceed the estimated tax  
 9 increment, payments in lieu of taxes or other amounts agreed to be paid by the property owners in a district, and  
 10 other estimated ~~revenues~~ revenue, including proceeds of the bonds available for payment of interest ~~thereon~~ on  
 11 the bonds, pledged to their payment to be received in ~~such~~ that year.

12 (2) The governing body, in the resolution or ordinance authorizing the bonds, shall determine the  
 13 estimated tax increment, payments in lieu of taxes or other amounts agreed to be paid by the property owners  
 14 in a district, and other ~~revenues~~ revenue, if any, for each year the bonds are to be outstanding. In calculating the  
 15 costs under 7-15-4288 for which the bonds are issued, the municipality may include an amount sufficient to pay  
 16 interest on the bonds prior to receipt of tax increments pledged and sufficient for the payment ~~thereof~~ of the bonds  
 17 and to fund any reserve fund in respect of the bonds."  
 18

19 **Section 48. Section 7-16-101, MCA, is amended to read:**

20 **"7-16-101. Creation of funds for recreational and other activities of elderly by local governments.**

21 (1) ~~The~~ Subject to [section 1], the governing body of a city, county, town, or municipality may in its discretion  
 22 establish a fund to promote, establish, and maintain recreational, educational, and other activities of the elderly  
 23 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  
 24 tax levies.

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

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

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**Section 49.** Section 7-16-2102, MCA, is amended to read:

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

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

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

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

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

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

**Section 50.** Section 7-16-2108, MCA, is amended to read:

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

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

5  
 6           **Section 51.** Section 7-16-2109, MCA, is amended to read:

7           **"7-16-2109. Single tax for county fair activities, county parks, and certain cultural, social, and**  
 8 **recreational facilities -- restriction.** (1) ~~Except~~ Subject to [section 1] and except as provided in subsection (2),  
 9 the county commissioners of a county who have levied taxes pursuant to both 7-16-2102 and 7-21-3410 before  
 10 January 1, 1993, may combine the two taxes into a single tax that may not exceed 3 1/2 mills on each dollar of  
 11 the taxable valuation for any 1 year for the purpose of maintaining, operating, and equipping county fair activities,  
 12 county parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational  
 13 complex, or any combination ~~thereof~~ of purposes, activities, and facilities. The money collected may be distributed  
 14 among the activities and facilities as determined by the county commissioners.

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

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

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

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

24           (c) The board of county commissioners shall levy the tax for the 2 subsequent fiscal years if the  
 25 imposition or continued imposition of the single tax is approved by a majority of the electors voting on the  
 26 question."  
 27

28           **Section 52.** Section 7-16-2205, MCA, is amended to read:

29           **"7-16-2205. Authorization for mill levy.** (1) The board of county commissioners of any county owning,  
 30 acquiring, contributing, or making a grant to any museum, facility for the arts and the humanities, or collection of

1 exhibits as set forth in 7-16-2202:

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

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

6 (b) in order to ~~meet and take care of~~ fund the appropriation or grant program, may, subject to [section  
7 1], annually levy a tax not to exceed 2 mills on each dollar of the taxable valuation of the property subject to  
8 taxation in the county.

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

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

13

14 **Section 53.** Section 7-16-2411, MCA, is amended to read:

15 **"7-16-2411. Creation of county park district.** (1) Proceedings for the creation of a county park district  
16 may be initiated by:

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

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

20 (2) The petition or resolution must contain:

21 (a) the boundaries of the proposed district;

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

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

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

29 (4) Upon receipt of a petition for the creation of a county park district, the county clerk shall examine it  
30 and within 15 days either reject the petition if it is insufficient under the provisions of subsection (1), (2), or (3) or

1 certify that the petition is sufficient and present it to the county governing body at its next meeting.

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

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

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

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

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

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

15

16 **Section 54.** Section 7-16-2423, MCA, is amended to read:

17 **"7-16-2423. Powers of county park district commission.** A county park district commission has all  
18 powers necessary for the betterment, operation, maintenance, and administration of park and recreation land  
19 within the territory of the district. In the exercise of this general grant of powers, the county park district  
20 commission may:

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

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

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

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

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

1 (6) subject to [section 1], establish a property tax mill levy for the operation of the district as provided in  
2 7-16-2431;

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

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

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

10 **Section 55.** Section 7-16-2431, MCA, is amended to read:

11 **"7-16-2431. District budget -- property tax levy.** (1) The county park district commission shall annually  
12 prepare a budget for the ensuing fiscal year and present the budget to the governing body of each county with  
13 territory included in the district at the regular budget meetings as prescribed in Title 7, chapter 6, part 23, and  
14 certify the amount of money necessary for the operation of the district for the ensuing fiscal year.

15 (2) ~~The~~ Subject to [section 1], the county governing body shall, annually at the time of levying county  
16 taxes, fix and levy a tax in mills on all taxable property within the district sufficient to raise the amount certified  
17 by the county park district commission. The tax levied may not in any year exceed the maximum amount  
18 approved by the electorate in 7-16-2411 or 7-16-2432."  
19

20 **Section 56.** Section 7-16-2443, MCA, is amended to read:

21 **"7-16-2443. Effect of dissolution.** (1) If dissolution of a county park district is authorized by a majority  
22 of the electorate of the district, the county governing body shall order the dissolution and file the order with the  
23 county clerk. The dissolution is effective upon the earlier of the following:

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

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

27 (2) If debts or obligations of the district remain unsatisfied after the dissolution of the district, the county  
28 governing body shall, subject to [section 1] and for as long as necessary, levy a property tax, in an amount not  
29 to exceed the voted maximum authorized by the district, on all taxable property that is in the territory formerly  
30 comprising the district, to be used to discharge the debts of the former district. If the electors of the district

1 lowered the maximum amount to be levied for the operation of the district within 2 calendar years prior to the  
 2 election authorizing the dissolution, the county governing body ~~is authorized to~~ may, subject to [section 1], levy  
 3 a property tax not to exceed the maximum levy authorized prior to the reduction of the maximum levy for the  
 4 discharge of the district's obligations.

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

7

8 **Section 57.** Section 7-16-4105, MCA, is amended to read:

9 **"7-16-4105. Authorization to levy tax for various cultural, social, and recreational facilities.** ~~For~~  
 10 Subject to [section 1] and for the purpose of procuring, equipping, and maintaining public parks, swimming pools,  
 11 skating rinks, playgrounds, civic centers, youth centers, museums, and ~~combinations thereof~~ combination of  
 12 purposes and facilities, the council or commission in any city or town may levy, in addition to the levy for general  
 13 municipal or administrative purposes, an amount not exceeding 7 mills on the dollar on the taxable value of the  
 14 property to be taxed ~~of~~ in the city or town."

15

16 **Section 58.** Section 7-16-4113, MCA, is amended to read:

17 **"7-16-4113. Tax levy for band concerts.** ~~For~~ Subject to [section 1] and for the purpose of providing  
 18 band concerts, the council or other governing body in any city of the first, second, or third class or of any  
 19 incorporated town may assess and levy, in addition to the levy for general municipal or administrative purposes,  
 20 an amount not to exceed 1 mill on the dollar on the taxable value of the property of the city or town subject to  
 21 taxation."

22

23 **Section 59.** Section 7-16-4114, MCA, is amended to read:

24 **"7-16-4114. Authorization to levy tax and establish fund for establishment and maintenance of**  
 25 **programs and employee training for day-care facilities.** (1) ~~The~~ Subject to [section 1], the governing body of  
 26 a county, city, town, or municipality may ~~in its discretion~~ establish a fund to establish and maintain programs for  
 27 the operation of licensed day-care centers and homes within the geographic boundaries of the governing body  
 28 by a levy of up to 1 mill on each dollar of taxable property ~~of said governing body~~ in the county, city, town, or  
 29 municipality. The tax levy ~~shall be~~ is in addition to all other tax levies.

30 (2) The governing body ~~shall have the power~~ may, by resolution, ~~to~~ make expenditures from the fund



1 as it may from time to time determine, provided that expenditures ~~shall~~ must be made solely for the establishment,  
 2 maintenance, and development of programs for and training of operators and employees of day-care centers and  
 3 homes."

4  
 5 **Section 60.** Section 7-21-3203, MCA, is amended to read:

6 **"7-21-3203. Support of extension work in agriculture and home economics.** (1) The county  
 7 commissioners of any county may appropriate money from the general funds of the county treasury or from funds  
 8 provided by special levy, ~~which the county commissioners are hereby authorized to make at the same time as~~  
 9 ~~other levies for county purposes~~, for the purpose of carrying on extension work in agriculture and home  
 10 economics within the county in cooperation with Montana state university-Bozeman and the United States  
 11 department of agriculture. Subject to [section 1], the county commissioners may impose the levy for the purpose  
 12 of this section at the same time as other levies for county purposes are imposed.

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

17  
 18 **Section 61.** Section 7-21-3410, MCA, is amended to read:

19 **"7-21-3410. Funding of county fair activities.** (1) The board of county commissioners ~~of their~~  
 20 ~~respective counties~~ may appropriate annually, out of the general fund of the county treasury and to the county  
 21 fair commission, a sum not to exceed \$3,500, to be expended by the county fair commission for the purpose of  
 22 holding a county fair ~~and/or or~~ junior fair and for advertising the products and resources of ~~their~~ the county.

23 (2) ~~In~~ Subject to [section 1] and in addition to the appropriation above provided for or in lieu thereof of  
 24 the appropriation provided for in subsection (1), the county commissioners of any county in Montana shall have  
 25 ~~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  
 26 county for the purpose of securing, equipping, maintaining, and operating a county fair ~~and/or or~~ a junior fair,  
 27 including the purchase of land ~~for such purposes~~ and the erection of ~~such~~ buildings and other appurtenances as  
 28 may be necessary.

29 (3) The funds derived from ~~such the~~ appropriation or tax levy ~~shall~~ must be kept in a separate fund by  
 30 the county treasurer and ~~shall~~ must be paid out by the treasurer on order signed by the president and secretary

1 of the fair commission."  
2

3 **Section 62.** Section 7-21-3432, MCA, is amended to read:

4 **"7-21-3432. Effect of failure of county commissioners to meet or take action.** If the county  
5 commissioners fail to hold the joint meeting or fail to take any action, then the budget certified by the secretary  
6 of the fair district ~~shall be~~ is approved without further action and, subject to [section 1], the sums of money  
7 apportioned to the county ~~shall~~ must be the sums to be raised by special levy for this purpose."  
8

9 **Section 63.** Section 7-21-3433, MCA, is amended to read:

10 **"7-21-3433. Authorization for mill levy.** (1) For the purpose of raising the ~~revenues~~ revenue provided  
11 for in 7-21-3432, the board of county commissioners of each county in the district shall, subject to [section 1],  
12 annually make a levy to raise the required sum apportioned to the respective county.

13 (2) ~~However, the~~ The levy ~~shall~~ provided for in subsection (1) may not exceed 1 mill on the dollar of the  
14 taxable value of all the taxable property in the county, except in the case of the county in which the fair is being  
15 conducted. In ~~this~~ that county, the levy ~~shall~~ may not exceed 1 1/2 mills on the dollar of taxable property in the  
16 county."  
17

18 **Section 64.** Section 7-22-2142, MCA, is amended to read:

19 **"7-22-2142. Sources of money for noxious weed fund.** (1) The commissioners may create the  
20 noxious weed fund and provide sufficient money in the fund for the board to fulfill its duties, as specified in  
21 7-22-2109, by:

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

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

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

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

30 (3) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be

1 available for reuse within that fiscal year or any subsequent year.

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

5

6 **Section 65.** Section 7-22-2222, MCA, is amended to read:

7 **"7-22-2222. Mill levy authorized.** To administer and implement a rodent abatement program, the  
8 governing body may, subject to [section 1], levy a tax, not to exceed 2 mills, on the taxable value of the  
9 horticultural, farming, grazing, forest, and railroad lands within the district. The proceeds of the levy are to be  
10 placed in the district fund."

11

12 **Section 66.** Section 7-22-2306, MCA, is amended to read:

13 **"7-22-2306. Financing of insect pest control program.** (1) The governing body of the county shall  
14 annually determine the amount of the warrants drawn on the general fund for the purposes of controlling insect  
15 pests under a control program approved by the department of agriculture.

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

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

23

24 **Section 67.** Section 7-22-2432, MCA, is amended to read:

25 **"7-22-2432. Financing of mosquito control district -- levy of district taxes -- limit on mill levy -- fee**  
26 **on structures.** (1) ~~The~~ Subject to [section 1], the board of county commissioners of any county within which a  
27 mosquito control board has been created shall finance the operation of the district by levying a tax not exceeding  
28 5 mills on the dollar of the total taxable valuation in the district on all property situated within the district at the time  
29 fixed by law for levy and assessment of taxes.

30 (2) Instead of or in addition to imposing the levy authorized in subsection (1), the county commissioners

1 may, upon an affirmative vote of a majority of the qualified voters residing in the mosquito control district, collect  
 2 an annual fee from the owners of structures that are benefited by the mosquito control services offered by the  
 3 district. The schedule of fees is as follows:

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

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

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

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

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

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

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

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

14 (5) The proceeds from the tax and the fees must be placed in a separate fund with the county treasurer  
 15 of the county and must be used solely for the purpose for which the mosquito control district was created."  
 16

17 **Section 68.** Section 7-22-2512, MCA, is amended to read:

18 **"7-22-2512. Financing of vertebrate pest management program -- tax.** (1) A governing body may:

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

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

27 (2) The tax provided for in subsection (1) must be collected as other county taxes and credited to the  
 28 county vertebrate pest management fund."  
 29

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

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

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

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

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

8 ~~————(d) subject to [section 1], provide, in the event the owner or owners of any of said premises neglect to~~  
 9 ~~exterminate or remove the nuisance weeds therefrom, for levying the cost of such the extermination or removal~~  
 10 ~~as a special tax against the property.~~

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

12

13 **Section 69.** Section 7-32-4117, MCA, is amended to read:

14 **"7-32-4117. Group insurance for policemen police officers -- funding.** (1) Cities of all classes, if they  
 15 provide insurance for other city employees under Title 2, chapter 18, part 7, shall:

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

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

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

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

24

25 **Section 70.** Section 7-33-2109, MCA, is amended to read:

26 **"7-33-2109. Tax levy, debt incurrence, and bonds authorized.** (1) At the time of the annual levy of  
 27 taxes, the board of county commissioners may, subject to [section 1], levy a special tax upon all property within  
 28 a rural fire district for the purpose of buying or maintaining fire protection facilities and apparatus, including  
 29 emergency response apparatus, for the district or for the purpose of paying to a city, town, or private fire service  
 30 the consideration provided for in any contract with the council of the city, town, or private fire service for the

1 purpose of furnishing fire protection service to property within the district. The tax must be collected as are other  
2 taxes.

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

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

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

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

16

17 **Section 71.** Section 7-33-2209, MCA, is amended to read:

18 **"7-33-2209. Finance of fire control activities.** (1) The county governing body ~~is authorized to~~ may  
19 appropriate funds for the purchase, care, and maintenance of firefighting equipment or for the payment of wages  
20 in prevention, detection, and suppression of fires.

21 (2) ~~If Subject to [section 1],~~ if the general fund is budgeted to the full limit, the county governing body  
22 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  
23 \$15,000, whichever is higher."

24

25 **Section 72.** Section 7-33-4111, MCA, is amended to read:

26 **"7-33-4111. Tax levy for volunteer fire departments.** For the purpose of supporting volunteer fire  
27 departments in any city or town ~~which~~ that does not have a paid fire department and for the purpose of  
28 purchasing the necessary equipment for them, the council in any city or town may, subject to [section 1], levy,  
29 in addition to other levies permitted by law, a special tax not exceeding 4 mills upon all of the property of the city  
30 or town subject to taxation."

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**Section 73.** Section 7-33-4130, MCA, is amended to read:

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

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

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

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

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

**Section 74.** Section 7-34-102, MCA, is amended to read:

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

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

**Section 75.** Section 7-34-2122, MCA, is amended to read:

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

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

- 1 (2) cause reports, plans, studies, and recommendations to be prepared;
- 2 (3) lease, purchase, and contract for the purchase of real and personal property by option, contract for  
3 deed, or otherwise and acquire real or personal property by gift;
- 4 (4) lease or construct, equip, ~~and furnish,~~ and maintain necessary buildings and grounds ~~and maintain~~  
5 ~~the same~~;
- 6 (5) adopt, by resolution, rules for the operation and administration of ~~any and all~~ hospital facilities under  
7 its control and for the admission of persons ~~thereto~~ to the facilities;
- 8 (6) impose by resolution and collect charges for all services and facilities provided and made available  
9 by it;
- 10 (7) subject to [section 1], levy taxes as ~~hereinafter~~ prescribed in this part;
- 11 (8) borrow money by the issuance of its bonds as ~~hereinafter~~ prescribed in this part;
- 12 (9) borrow money by the issuance of notes;
- 13 (10) procure insurance against liability of the district or its officers and employees, or both, for torts  
14 committed within the scope of their official duties, whether governmental or proprietary, and against damage to  
15 or destruction of any of its facilities, equipment, or other property;
- 16 (11) sell or lease any of its facilities or equipment as may be ~~deemed~~ considered expedient;
- 17 (12) cause audits to be made of its accounts, books, vouchers, and funds by competent public  
18 accountants; and
- 19 (13) provide educational benefits to qualified individuals, including the payment of tuition, room and board,  
20 educational materials, and stipends and the repayment of student loans in return for an agreement by those  
21 persons to provide services to the district."  
22

23 **Section 76.** Section 7-34-2133, MCA, is amended to read:

24 **"7-34-2133. Levy of district taxes -- limit on mill levy.** (1) ~~The~~ Subject to [section 1], the board of  
25 county commissioners ~~must shall~~, annually at the time of levying county taxes, fix and levy a tax (~~in mills~~) upon  
26 all property within ~~said~~ the hospital district clearly sufficient to raise the amount certified by the board of hospital  
27 trustees under 7-34-2132.

28 (2) The tax ~~so~~ levied for all hospital district purposes other than payment of bonded indebtedness ~~shall~~  
29 may not in any year exceed 3 mills on each dollar of taxable valuation of property within ~~said~~ the district."  
30



1           **Section 77.** Section 7-34-2417, MCA, is amended to read:

2           **"7-34-2417. Special tax levy authorized.** In the event the bonds are not paid or are not expected to be  
3 paid from ordinary revenue of the facility, a county that has issued bonds under 7-34-2411 for a health care facility  
4 may, subject to [section 1], levy taxes on all taxable property within the county in the manner provided for public  
5 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  
6 submitted to a vote of the people and 3 additional mills approved by a vote of the people."

7

8           **Section 78.** Section 7-35-2122, MCA, is amended to read:

9           **"7-35-2122. County tax levy.** ~~The~~ Subject to [section 1], the board of county commissioners ~~must~~ shall,  
10 annually at the time of levying county taxes, fix and levy upon all property within the cemetery district an amount  
11 sufficient to raise the amount certified by the board of cemetery trustees to be raised by a tax on the property of  
12 the district. The tax may not exceed 4 mills on each dollar of taxable valuation on the property of the district."

13

14 ~~Section 136.~~ Section 10-3-405, MCA, is amended to read:

15 ~~"10-3-405. Levying emergency tax -- disposition of surplus.~~ (1) ~~The governing body of the city or~~  
16 ~~town or the governing body of the county, or both, shall estimate expenditures and, subject to [section 1], levy~~  
17 ~~an emergency millage to cover the expenditures. The millage levied by the governing body of the city or town~~  
18 ~~shall may not exceed 2 mills on the municipality's taxable valuation. The millage levied by the governing body of~~  
19 ~~the county shall may not exceed 2 mills on the taxable valuation of the county outside the municipalities.~~

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

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

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

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

30

1           **Section 79.** Section 13-13-230, MCA, is amended to read:

2           **"13-13-230. Authorization to increase county mill levy.** ~~Each~~ Subject to [section 1], a county may levy  
3 an amount not exceeding 1 mill as may be necessary to finance the additional cost of administering a special  
4 absentee election board program pursuant to 13-13-225 through 13-13-229. ~~Such~~ The mill levy may not be  
5 included as part of any existing mill levy or special mill levy assessed by the county. The amount of any mill levy  
6 adopted under this section must be reasonably related to the actual cost of providing services as required by  
7 13-13-225 through 13-13-229."

8

9           **Section 80.** Section 15-1-402, MCA, is amended to read:

10           **"15-1-402. Payment of taxes under protest.** (1) The person upon whom a property tax or fee is being  
11 imposed under this title may, before the property tax or fee becomes delinquent, pay under written protest that  
12 portion of the property tax or fee protested. The protested payment must:

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

14           (b) specify the grounds of protest; and

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

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

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

27           (4) All property taxes and fees paid under protest to a county or municipality must be deposited by the  
28 treasurer of the county or municipality to the credit of a special fund to be designated as a protest fund and must  
29 be retained in the protest fund until the final determination of any action or suit to recover the taxes and fees  
30 unless they are released at the request of the county, municipality, or other local taxing jurisdiction pursuant to

1 subsection (5). This section does not prohibit the investment of the money of this fund in the state unified  
2 investment program or in any manner provided in Title 7, chapter 6. The provision creating the special protest  
3 fund does not apply to any payments made under protest directly to the state.

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

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

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

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

25 (ii) 6% a year.

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

28 (d) If the protest action is decided adversely to a taxing jurisdiction and the amount retained in the protest  
29 fund is insufficient to refund the tax payments and costs to which the taxpayer is entitled and for which local  
30 government units are responsible, the treasurer shall bill and the taxing jurisdiction shall refund to the treasurer

1 that portion of the taxpayer refund, including tax payments and costs, for which the taxing jurisdiction is proratably  
2 responsible.

3 (e) In satisfying the requirements of subsection (6)(d), the taxing jurisdiction is allowed not more than  
4 1 year from the beginning of the fiscal year following a final resolution of the protest. The taxpayer is entitled to  
5 interest on the unpaid balance at the greater of the rates referred to in subsections (6)(b)(i) and (6)(b)(ii) from the  
6 date of payment under protest until the date of final resolution of the protest and at the combined rate of the  
7 federal reserve discount rate quoted from the federal reserve bank in New York, New York, on the date of final  
8 resolution, plus four percentage points, from the date of final resolution of the protest until refund is made.

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

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

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

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

19

20 ~~SECTION 139. SECTION 15-2-302, MCA, IS AMENDED TO READ:~~

21 ~~"15-2-302. Direct appeal from department decision to state tax appeal board -- hearing. (1) A~~  
22 ~~person may appeal to the state tax appeal board a final decision of the department of revenue involving:~~

23 ~~(a) property centrally assessed under chapter 23;~~

24 ~~(b) classification of property as new industrial property;~~

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

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

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

~~1 (b) An appeal from the department's determination of whether wages earned by an unemployment  
2 insurance benefit claimant were properly reported to the department is initiated by filing a complaint with the  
3 board within 10 days following receipt of notice of the department's final determination. The board shall promptly  
4 mail a copy of the complaint to each interested party at the last known address of each party.~~

~~5 (3) The department shall file with the board an answer within 30 days following filing of a complaint, or  
6 in cases involving a determination of whether wages earned by an unemployment insurance benefit claimant  
7 were properly reported to the department, any interested party, as defined in 15-30-257(1)(e), and the department  
8 may file an answer with the board within 10 days after receipt of a copy of the complaint filed with the board, and  
9 at that time mail a copy to the complainant. The answer must set forth the department's response to each ground  
10 for and type of relief demanded in the complaint.~~

~~11 (4) (a) Except as provided in subsection (4)(b), the board shall conduct the appeal in accordance with  
12 the contested case provisions of the Montana Administrative Procedure Act.~~

~~13 (b) (i) In an appeal regarding the determination of whether wages earned by an unemployment insurance  
14 claimant were properly reported to the department, the appeal must be conducted informally and may, in the  
15 discretion of the board, be conducted by telephone or other electronic means. The appeal is not a contested case  
16 under provisions of the Montana Administrative Procedure Act. The board, in conducting the hearing or making  
17 its decision, is not bound by the Montana Rules of Evidence.~~

~~18 (ii) The board shall make its final decision within 45 days of the date the appeal is received by the board.~~

~~19 (5) The decision of the state tax appeal board is final and binding upon all interested parties unless  
20 reversed or modified by judicial review. Proceedings for judicial review of a decision of the state tax appeal board  
21 under this section are subject to the provisions of 15-2-303 and the Montana Administrative Procedure Act to the  
22 extent that it does not conflict with 15-2-303.~~

~~23 (6) Sections 15-6-134 and 15-7-111 may not be construed to prevent the department from implementing  
24 an order to change the valuation of property."~~

**SECTION 81. SECTION 15-2-301, MCA, IS AMENDED TO READ:**

**"15-2-301. Appeal of county tax appeal board decisions.** (1) The county tax appeal board shall mail a copy of its decision to the taxpayer and to the property assessment division of the department of revenue. If the appearance provisions of 15-15-103 have been complied with, a person or the department on behalf of the state or any municipal corporation aggrieved by the action of the county tax appeal board may appeal to the state

1 board by filing with the state tax appeal board a notice of appeal within 30 calendar days after the receipt of the  
2 decision of the county board. The notice must specify the action complained of and the reasons assigned for the  
3 complaint. Notice of acceptance of an appeal must be given to the county tax appeal board by the state tax  
4 appeal board. The state board shall set the appeal for hearing either in its office in the capital or the county seat  
5 as the board considers advisable to facilitate the performance of its duties or to accommodate parties in interest.  
6 The board shall give to the appellant and to the respondent at least 15 calendar days' notice of the time and place  
7 of the hearing.

8 (2) At the time of giving notice of acceptance of an appeal, the state board may require the county board  
9 to certify to it the minutes of the proceedings resulting in the action and all testimony taken in connection with its  
10 proceedings. The state board may, in its discretion, determine the appeal on the record if all parties receive a  
11 copy of the transcript and are permitted to submit additional sworn statements, or the state board may hear  
12 further testimony. For the purpose of expediting its work, the state board may refer any appeal to one of its  
13 members or to a designated hearings officer. The board member or hearings officer may exercise all the powers  
14 of the board in conducting a hearing and shall, as soon as possible after the hearing, report the proceedings,  
15 together with a transcript or a tape recording of the hearing, to the board. The state board shall determine the  
16 appeal on the record.

17 (3) On all hearings at county seats throughout the state, the state board or the member or hearings  
18 officer designated to conduct a hearing may employ a competent person to electronically record the testimony  
19 received. The cost of electronically recording testimony may be paid out of the general appropriation for the  
20 board.

21 (4) In connection with any appeal under this section, the state board is not bound by common law and  
22 statutory rules of evidence or rules of discovery and may affirm, reverse, or modify any decision. To the extent  
23 that this section is in conflict with the Montana Administrative Procedure Act, this section supersedes that act.  
24 The state tax appeal board may not amend or repeal any administrative rule of the department. The state tax  
25 appeal board shall give an administrative rule full effect unless the board finds a rule arbitrary, capricious, or  
26 otherwise unlawful.

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

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

3  
 4           **SECTION 82. SECTION 15-6-134, MCA, IS AMENDED TO READ:**

5           **"15-6-134. Class four property -- description -- taxable percentage.** (1) Class four property includes:

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

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

11           (c) the first \$100,000 or less of the taxable market value of any improvement on real property, including  
 12 trailers, manufactured homes, or mobile homes, and appurtenant land not exceeding 5 acres owned or under  
 13 contract for deed and actually occupied for at least 7 months a year as the primary residential dwelling of any  
 14 person whose total income from all sources, including net business income and otherwise tax-exempt income  
 15 of all types but not including social security income paid directly to a nursing home, is not more than \$15,000 for  
 16 a single person or \$20,000 for a married couple or a head of household, as adjusted according to subsection  
 17 (2)(b)(ii). For the purposes of this subsection (1)(c), net business income is gross income less ordinary operating  
 18 expenses but before deducting depreciation or depletion allowance, or both.

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

21           (e) SUBJECT TO 15-6-201(1)(z), all improvements on land that is eligible for valuation, assessment, and  
 22 taxation as agricultural land under 15-7-202, including 1 acre of real property beneath improvements on land  
 23 described in 15-6-133(1)(c). The 1 acre must be valued at market value.

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

25           (ii) rental multifamily dwelling units; and

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

28           (IV) VACANT RESIDENTIAL LOTS; AND

29           (g) (i) commercial buildings and the parcels of land upon which they are situated; AND

30           (II) VACANT COMMERCIAL LOTS.

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

2 (a) (i) Except as provided in 15-24-1402 or 15-24-1501 and subsection (2)(a)(ii) of this section, property  
3 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  
4 taxable market value in tax year 1999.

5 (ii) The taxable percentage rate in subsection (2)(a)(i) must be adjusted downward by subtracting ~~0.022~~  
6 ~~0.0835%~~ ~~0.167%~~ 0.0835 percentage points each year until the tax rate is equal to or less than ~~2.78%~~ 3.46%  
7 ~~3.126%~~ 3.46%.

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

11	Income	Income	Percentage
12	Single Person	Married Couple	Multiplier
13		Head of Household	
14	\$0 - \$ 6,000	\$0 - \$ 8,000	20%
15	6,001 - 9,200	8,001 - 14,000	50%
16	9,201 - 15,000	14,001 - 20,000	70%

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

19 (A) multiplying the appropriate dollar amount from the table in subsection (2)(b)(i) by the ratio of the PCE  
20 for the second quarter of the year prior to the year of application to the PCE for the second quarter of 1995; and

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

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

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

26 (3) Within the meaning of comparable property, as defined in 15-1-101, property assessed as  
27 commercial property is comparable only to other property assessed as commercial property and property  
28 assessed as other than commercial property is comparable only to other property assessed as other than  
29 commercial property."  
30



1           **SECTION 83. SECTION 15-6-143, MCA, IS AMENDED TO READ:**

2           **"15-6-143. Class ten property -- description -- taxable percentage.** (1) Class ten property includes  
3 all forest lands as defined in 15-44-102.

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

6  
7           **SECTION 84. SECTION 15-6-201, MCA, IS AMENDED TO READ:**

8           **"15-6-201. Exempt categories.** (1) The following categories of property are exempt from taxation:

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

10           (i) the United States, except:

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

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

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

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

16           (iv) municipal corporations;

17           (v) public libraries; and

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

19           (b) buildings, with land that they occupy and furnishings in the buildings, that are owned by a church and  
20 used for actual religious worship or for residences of the clergy, together with adjacent land reasonably necessary  
21 for convenient use of the buildings;

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

26           (d) property that is:

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

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

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

- 1 (e) property that is owned or property that is leased from a federal, state, or local governmental entity  
2 by institutions of purely public charity if the property is directly used for purely public charitable purposes;
- 3 (f) evidence of debt secured by mortgages of record upon real or personal property in the state of  
4 Montana;
- 5 (g) public museums, art galleries, zoos, and observatories that are not used or held for private or  
6 corporate profit;
- 7 (h) all household goods and furniture, including but not limited to clocks, musical instruments, sewing  
8 machines, and wearing apparel of members of the family, used by the owner for personal and domestic purposes  
9 or for furnishing or equipping the family residence;
- 10 (i) truck canopy covers or toppers and campers;
- 11 (j) a bicycle, as defined in 61-1-123, used by the owner for personal transportation purposes;
- 12 (k) motor homes;
- 13 (l) all watercraft;
- 14 (m) motor vehicles, land, fixtures, buildings, and improvements owned by a cooperative association or  
15 nonprofit corporation organized to furnish potable water to its members or customers for uses other than the  
16 irrigation of agricultural land;
- 17 (n) the right of entry that is a property right reserved in land or received by mesne conveyance (exclusive  
18 of leasehold interests), devise, or succession to enter land with a surface title that is held by another to explore,  
19 prospect, or dig for oil, gas, coal, or minerals;
- 20 (o) (i) property that is owned and used by a corporation or association organized and operated  
21 exclusively for the care of persons with developmental disabilities, persons with mental illness, or persons with  
22 physical or mental impairments that constitute or result in substantial impediments to employment and that is not  
23 operated for gain or profit; and
- 24 (ii) property that is owned and used by an organization owning and operating facilities that are for the care  
25 of the retired, aged, or chronically ill and that are not operated for gain or profit;
- 26 (p) all farm buildings with a market value of less than \$500 and all agricultural implements and machinery  
27 with a market value of less than \$100;
- 28 (q) property owned by a nonprofit corporation that is organized to provide facilities primarily for training  
29 and practice for or competition in international sports and athletic events and that is not held or used for private  
30 or corporate gain or profit. For purposes of this subsection (1)(q), "nonprofit corporation" means an organization

1 that is exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted  
 2 under the Montana Nonprofit Corporation Act.

3 (r) the first \$15,000 or less of market value of tools owned by the taxpayer that are customarily hand-held  
 4 and that are used to:

5 (i) construct, repair, and maintain improvements to real property; or

6 (ii) repair and maintain machinery, equipment, appliances, or other personal property;

7 (s) harness, saddlery, and other tack equipment;

8 (t) a title plant owned by a title insurer or a title insurance producer, as those terms are defined in  
 9 33-25-105;

10 (u) timber as defined in 15-44-102;

11 (v) all trailers as defined in 61-1-111, semitrailers as defined in 61-1-112, pole trailers as defined in  
 12 61-1-114, and travel trailers as defined in 61-1-131;

13 (w) all vehicles registered under 61-3-456;

14 (x) (i) buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors,  
 15 including buses, trucks, and truck tractors apportioned under Title 61, chapter 3, part 7; and

16 (ii) personal property that is attached to a bus, truck, or truck tractor that is exempt under subsection  
 17 (1)(x)(i); ~~and~~

18 (y) motorcycles and quadricycles;

19 ~~(z) the following percentage OF THE FIRST \$200,000 OR LESS of the market value of residential property~~  
 20 ~~as described in 15-6-134(1)(E) AND (1)(f):~~

21 ~~(i) 16% 19% 16% for tax year 1999;~~

22 ~~(ii) 21% 23% 27.5% 23% for tax year 2000;~~

23 ~~(iii) 26% 27.5% 33% 27.5% for tax year 2001; and~~

24 ~~(iv) 30% 31% 38% 31% for tax year 2002 and succeeding tax years; and~~

25 ~~(aa) the following percentage OF THE FIRST \$200,000 OR LESS of the market value of commercial property~~  
 26 ~~as described in 15-6-134(1)(g):~~

27 ~~(i) 6.5% for tax year 1999;~~

28 ~~(ii) 9% for tax year 2000;~~

29 ~~(iii) 11% for tax year 2001; and~~

30 ~~(iv) 13% for tax year 2002 and succeeding tax years; AND~~

1           (BB) THE PERCENTAGE OF VALUATION OF LAND CALCULATED PURSUANT TO 15-7-111(4).

2           (2) (a) For the purposes of subsection (1)(e), the term "institutions of purely public charity" includes any  
3 organization that meets the following requirements:

4           (i) The organization qualifies as a tax-exempt organization under the provisions of section 501(c)(3),  
5 Internal Revenue Code, as amended.

6           (ii) The organization accomplishes its activities through absolute gratuity or grants. However, the  
7 organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public  
8 performances or entertainment or by other similar types of fundraising activities.

9           (b) For the purposes of subsection (1)(g), the term "public museums, art galleries, zoos, and  
10 observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold property  
11 for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real  
12 and personal property reasonably necessary for use in connection with the public display or observatory use.  
13 Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or  
14 for-profit organization, real and personal property owned by other persons is exempt if it is:

15           (i) actually used by the governmental entity or nonprofit organization as a part of its public display;

16           (ii) held for future display; or

17           (iii) used to house or store a public display.

18           (3) The following portions of the appraised value of a capital investment in a recognized nonfossil form  
19 of energy generation or low emission wood or biomass combustion devices, as defined in 15-32-102, are exempt  
20 from taxation for a period of 10 years following installation of the property:

21           (a) \$20,000 in the case of a single-family residential dwelling;

22           (b) \$100,000 in the case of a multifamily residential dwelling or a nonresidential structure."

23

24           **SECTION 85. SECTION 15-7-102, MCA, IS AMENDED TO READ:**

25           **"15-7-102. Notice of classification and appraisal to owners -- appeals.** (1) (a) The department shall  
26 mail to each owner or purchaser under contract for deed a notice of the classification of the land owned or being  
27 purchased and the appraisal of the improvements on the land only if one or more of the following changes  
28 pertaining to the land or improvements have been made since the last notice:

29           (i) change in ownership;

30           (ii) change in classification;

1 (iii) except as provided in subsection (1)(b), change in valuation; or

2 (iv) addition or subtraction of personal property affixed to the land.

3 (b) After the first year, the department is not required to mail the notice provided for in subsection  
4 (1)(a)(iii) if the change in valuation is the result of an annual incremental change in valuation caused by the  
5 phasing in of a reappraisal under 15-7-111 or the application of the exemption under 15-6-201 or caused by an  
6 incremental change in the tax rate.

7 (c) The notice must include the following for the taxpayer's informational purposes:

8 (i) the total amount of mills levied against the property in the prior year; and

9 (ii) a statement that the notice is not a tax bill.

10 (d) Any misinformation provided in the information required by subsection (1)(c) does not affect the  
11 validity of the notice and may not be used as a basis for a challenge of the legality of the notice.

12 (2) (a) Except as provided in subsection (2)(c), the department shall assign each assessment to the  
13 correct owner or purchaser under contract for deed and mail the notice of classification and appraisal on a  
14 standardized form, adopted by the department, containing sufficient information in a comprehensible manner  
15 designed to fully inform the taxpayer as to the classification and appraisal of the property and of changes over  
16 the prior tax year.

17 (b) The notice must advise the taxpayer that in order to be eligible for a refund of taxes from an appeal  
18 of the classification or appraisal, the taxpayer is required to pay the taxes under protest as provided in 15-1-402.

19 (c) The department is not required to mail the notice of classification and appraisal to a new owner or  
20 purchaser under contract for deed unless the department has received the transfer certificate from the clerk and  
21 recorder as provided in 15-7-304 and has processed the certificate before the notices required by subsection  
22 (2)(a) are mailed. The date of mailing is the date reported to the county tax appeal board pursuant to 15-15-101.

23 (3) If the owner of any land and improvements is dissatisfied with the appraisal as it reflects the market  
24 value of the property as determined by the department or with the classification of the land or improvements, the  
25 owner may request an assessment review by submitting an objection in writing to the department, on forms  
26 provided by the department for that purpose, within 30 days after receiving the notice of classification and  
27 appraisal from the department. The review must be conducted informally and is not subject to the contested case  
28 procedures of the Montana Administrative Procedure Act. As a part of the review, the department may consider  
29 the actual selling price of the property, independent appraisals of the property, and other relevant information  
30 presented by the taxpayer in support of the taxpayer's opinion as to the market value of the property. The

1 department shall give reasonable notice to the taxpayer of the time and place of the review. After the review, the  
2 department shall determine the correct appraisal and classification of the land or improvements and notify the  
3 taxpayer of its determination. In the notification, the department shall state its reasons for revising the  
4 classification or appraisal. When the proper appraisal and classification have been determined, the land must be  
5 classified and the improvements appraised in the manner ordered by the department.

6 (4) Whether a review as provided in subsection (3) is held or not, the department may not adjust an  
7 appraisal or classification upon the taxpayer's objection unless:

8 (a) the taxpayer has submitted an objection in writing; and

9 (b) the department has stated its reason in writing for making the adjustment.

10 (5) A taxpayer's written objection to a classification or appraisal and the department's notification to the  
11 taxpayer of its determination and the reason for that determination are public records. The department shall make  
12 the records available for inspection during regular office hours.

13 (6) If any property owner feels aggrieved by the classification or appraisal made by the department after  
14 the review provided for in subsection (3), the property owner has the right to first appeal to the county tax appeal  
15 board and then to the state tax appeal board, whose findings are final subject to the right of review in the courts.  
16 The appeal to the county tax appeal board must be filed within 30 days after notice of the department's  
17 determination is mailed to the taxpayer. A county tax appeal board or the state tax appeal board may consider  
18 the actual selling price of the property, independent appraisals of the property, and other relevant information  
19 presented by the taxpayer as evidence of the market value of the property. If the county tax appeal board or the  
20 state tax appeal board determines that an adjustment should be made, the department shall adjust the base value  
21 of the property in accordance with the board's order."  
22

23 **SECTION 86. SECTION 15-7-103, MCA, IS AMENDED TO READ:**

24 **"15-7-103. Classification and appraisal -- general and uniform methods.** (1) It is the duty of the  
25 department of revenue to implement the provisions of 15-7-101 through 15-7-103 by providing:

26 (a) for a general and uniform method of classifying lands in the state for the purpose of securing an  
27 equitable and uniform basis of assessment of ~~said~~ lands for taxation purposes;

28 (b) for a general and uniform method of appraising city and town lots;

29 (c) for a general and uniform method of appraising rural and urban improvements;

30 (d) for a general and uniform method of appraising timberlands.

1 (2) All lands ~~shall~~ must be classified according to their use or uses and graded within each class  
 2 according to soil and productive capacity. In ~~such the~~ classification work, use ~~shall~~ must be made of soil surveys  
 3 and maps and all other pertinent available information.

4 (3) All lands must be classified by parcels or subdivisions not exceeding 1 section each, by the sections,  
 5 fractional sections, or lots of all tracts of land that have been sectionized by the United States government, or by  
 6 metes and bounds, whichever yields a true description of the land.

7 (4) All agricultural lands must be classified and appraised as agricultural lands without regard to the best  
 8 and highest value use of adjacent or neighboring lands.

9 (5) In any periodic revaluation of taxable property completed under the provisions of 15-7-111 ~~after~~  
 10 ~~January 1, 1986~~, all property classified in 15-6-134 must be appraised on the taxable portion of its market value  
 11 in the same year. The department shall publish a rule specifying the year used in the appraisal.

12 (6) All sewage disposal systems and domestic use water supply systems of all dwellings may not be  
 13 appraised, assessed, and taxed separately from the land, house, or other improvements in which they are  
 14 located. In no event may the sewage disposal or domestic water supply systems be included twice by including  
 15 them in the valuation and assessing them separately."  
 16

17 **SECTION 87. SECTION 15-7-111, MCA, IS AMENDED TO READ:**

18 **"15-7-111. Periodic revaluation of certain taxable property.** (1) The department of revenue shall  
 19 administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten.  
 20 All other property must be revalued annually. The revaluation of class three, four, and ten property is complete  
 21 on December 31, 1996. The amount of the change in valuation from the 1996 base year for each property in  
 22 classes three, four, and ten must be phased in each year at the rate of ~~2%~~ 25% of the ~~total~~ change in valuation  
 23 from December 31, 1998, to the appropriate percentage of taxable market value for each class.

24 (2) The department shall value and phase in the value of newly constructed, remodeled, or reclassified  
 25 property in a manner consistent with the valuation within the same class and the values established pursuant to  
 26 subsection (1). The department shall adopt rules for determining the assessed valuation and phased-in value of  
 27 new, remodeled, or reclassified property within the same class.

28 (3) Beginning January 1, ~~2007~~ 2001, the department of revenue shall administer and supervise a  
 29 program for the revaluation of all taxable property within classes three, four, and ten. A comprehensive written  
 30 reappraisal plan must be promulgated by the department. The reappraisal plan adopted must provide that all

1 class three, four, and ten property in each county is revalued by January 1, ~~2010~~ 2003, and each succeeding 3  
 2 6 years. The resulting valuation changes must be phased in for each year until the next reappraisal. If a  
 3 percentage of change for each year is not established, then the percentage of phasein for each year is 16.66%.  
 4 The department shall furnish a copy of the plan and all amendments to the plan to the board of county  
 5 commissioners of each county.

6 (4) (A) IF THE VALUE OF AN INDIVIDUAL PROPERTY IS EQUAL TO OR LESS THAN 75% OF THE APPRAISED VALUE  
 7 OF THE IMPROVEMENTS SITUATED ON THE LAND, THEN THE ASSESSED VALUE OF THE LAND IS THE LAND'S APPRAISED  
 8 VALUE AS PHASED IN UNDER SUBSECTION (1) AND THE OTHER PROVISIONS OF SUBSECTION (1) DO NOT APPLY.

9 (B) SUBJECT TO SUBSECTION (4)(C), IF THE VALUE OF AN INDIVIDUAL PROPERTY IS GREATER THAN 75% OF THE  
 10 APPRAISED VALUE OF THE IMPROVEMENTS SITUATED ON THE LAND, THEN THE VALUE OF THE LAND MUST BE DETERMINED  
 11 AS FOLLOWS:

12 (I) THE DEPARTMENT SHALL CALCULATE THE AVERAGE VALUE OF IMPROVEMENTS IN THE STATE;

13 (II) IF THE VALUE OF THE IMPROVEMENTS ON AN INDIVIDUAL PROPERTY IS GREATER THAN THE STATE AVERAGE  
 14 VALUE OF IMPROVEMENTS, THEN THE LAND IS VALUED AT 75% OF THE APPRAISED VALUE OF THE IMPROVEMENTS SITUATED  
 15 ON THE LAND AND THE REMAINDER OF THE LAND VALUE IS EXEMPT FROM TAXATION; AND

16 (III) IF THE VALUE OF THE IMPROVEMENTS ON AN INDIVIDUAL PROPERTY IS LESS THAN OR EQUAL TO THE STATE  
 17 AVERAGE VALUE OF IMPROVEMENTS, THEN THE LAND IS VALUED AT 75% OF THE APPRAISED VALUE OF THE IMPROVEMENTS  
 18 SITUATED ON THE LAND AND THE REMAINDER OF THE LAND VALUE IS EXEMPT FROM TAXATION.

19 (C) THE VALUE OF LAND UPON WHICH IMPROVEMENTS ARE SITUATED MAY NOT EXCEED THE PHASED-IN VALUE  
 20 OF THE LAND.

21 (5) FOR PURPOSES OF SUBSECTION (4), THE FOLLOWING DEFINITIONS APPLY:

22 (A) "AVERAGE VALUE OF IMPROVEMENTS" MEANS THE STATEWIDE ARITHMETIC MEAN OF THE APPRAISED VALUE  
 23 OF ALL IMPROVEMENTS THAT HAVE A MARKET VALUE IN EXCESS OF \$7,500;

24 (B) "IMPROVEMENTS" MEANS RESIDENTIAL DWELLINGS AND INCLUDES HOUSETRAILERS, MOBILE HOMES, AND  
 25 MANUFACTURED HOMES;

26 (C) "LAND" INCLUDES CONTIGUOUS PARCELS OR LOTS UNDER SINGLE OWNERSHIP UP TO 5 ACRES."

27  
 28 **Section 88.** Section 15-7-403, MCA, is amended to read:

29 **"15-7-403. Rollback tax -- computation.** (1) (a) ~~Subject to [section 1],~~ if land and improvements  
 30 appraised as residential as a result of an application filed under 15-7-402 are changed to industrial or commercial



1 use, the property is subject to a rollback tax in addition to the property tax levied on the property. The rollback  
2 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.

3 (b) As used in this section, "rollback" means the period preceding the change in use, not to exceed 5  
4 years, during which the property was appraised as residential.

5 (2) The department shall determine the amount of rollback tax due on the property by:

6 (a) determining the taxable value of the property as industrial or commercial property;

7 (b) multiplying this value by the sum of the annual mill levies applied in the taxing jurisdiction in which  
8 the land is located during the rollback period; and

9 (c) subtracting from this figure the actual property tax paid on the property during this period."  
10

11 **SECTION 89. SECTION 15-8-111, MCA, IS AMENDED TO READ:**

12 **"15-8-111. Assessment -- market value standard -- exceptions.** (1) All taxable property must be  
13 assessed at 100% of its market value except as otherwise provided.

14 (2) (a) Market value is the value at which property would change hands between a willing buyer and a  
15 willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of  
16 relevant facts.

17 (b) If the department uses construction cost as one approximation of market value, the department shall  
18 fully consider reduction in value caused by depreciation, whether through physical depreciation, functional  
19 obsolescence, or economic obsolescence.

20 (c) Except as provided in subsection (3), the market value of special mobile equipment and agricultural  
21 tools, implements, and machinery is the average wholesale value shown in national appraisal guides and  
22 manuals or the value before reconditioning and profit margin. The department shall prepare valuation schedules  
23 showing the average wholesale value when a national appraisal guide does not exist.

24 (3) The department may not adopt a lower or different standard of value from market value in making  
25 the official assessment and appraisal of the value of property, except:

26 (a) the wholesale value for agricultural implements and machinery is the average wholesale value  
27 category as shown in Guides 2000, Northwest Region Official Guide, published by the North American equipment  
28 dealers association, St. Louis, Missouri. If the guide or the average wholesale value category is unavailable, the  
29 department shall use a comparable publication or wholesale value category.

30 (b) for agricultural implements and machinery not listed in an official guide, the department shall prepare

1 a supplemental manual in which the values reflect the same depreciation as those found in the official guide; and

2 (c) as otherwise authorized in Titles 15 and 61.

3 (4) For purposes of taxation, assessed value is the same as appraised value.

4 (5) The taxable value for all property is the percentage of market or assessed value established for each  
5 class of property.

6 (6) The assessed value of properties in 15-6-131 through ~~15-6-133~~ 15-6-134 and 15-6-143 is as follows:

7 (a) Properties in 15-6-131, under class one, are assessed at 100% of the annual net proceeds after  
8 deducting the expenses specified and allowed by 15-23-503 or, if applicable, as provided in 15-23-515,  
9 15-23-516, 15-23-517, or 15-23-518.

10 (b) Properties in 15-6-132, under class two, are assessed at 100% of the annual gross proceeds.

11 (c) Properties in 15-6-133, under class three, are assessed at 100% of the productive capacity of the  
12 lands when valued for agricultural purposes. All lands that meet the qualifications of 15-7-202 are valued as  
13 agricultural lands for tax purposes.

14 (d) Properties in 15-6-134, under class four, are assessed at 100% THE APPLICABLE PERCENTAGE of  
15 market value minus any portion of market value that is exempt from taxation under 15-6-201(1)(z), and (1)(aa),  
16 AND (1)(BB).

17 ~~(d)~~(e) Properties in 15-6-143, under class ten, are assessed at 100% of the forest productivity value of  
18 the land when valued as forest land.

19 (7) Land and the improvements on the land are separately assessed when any of the following  
20 conditions occur:

21 (a) ownership of the improvements is different from ownership of the land;

22 (b) the taxpayer makes a written request; or

23 (c) the land is outside an incorporated city or town."

24  
25 ~~SECTION 91. SECTION 15-8-201, MCA, IS AMENDED TO READ:~~

26 ~~"15-8-201. General assessment day. (1) The department shall, between January 1 and the second~~  
27 ~~Monday of July in each year, ascertain the names of all taxable inhabitants and assess all property subject to~~  
28 ~~taxation in each county.~~

29 ~~(2) The department shall assess property to:~~

30 ~~(a) the person by whom it was owned or claimed or in whose possession or control it was at midnight of~~

- 1 the preceding January 1; or
- 2 ~~—— (b) except in the case of land splits, the new owner if the provisions of 15-7-304 have been met and the~~
- 3 ~~transfer certificate has been received and processed prior to determining the taxes that are due as provided in~~
- 4 ~~15-10-305(2).~~
- 5 ~~—— (3) The department shall also ascertain and assess all mobile homes arriving in the county after midnight~~
- 6 ~~of the preceding January 1.~~
- 7 ~~—— (4) A mistake in the name of the owner or supposed owner of real property does not invalidate the~~
- 8 ~~assessment.~~
- 9 ~~—— (5) The procedure provided by this section does not apply to:~~
- 10 ~~—— (a) motor vehicles;~~
- 11 ~~—— (b) motor homes, travel trailers, and campers;~~
- 12 ~~—— (c) watercraft;~~
- 13 ~~—— (d) livestock;~~
- 14 ~~—— (e) property defined in 61-1-104 as special mobile equipment that is subject to assessment for personal~~
- 15 ~~property taxes on the date that application is made for a special mobile equipment plate;~~
- 16 ~~—— (f) mobile homes and manufactured homes held by a distributor or dealer as stock in trade; and~~
- 17 ~~—— (g) property subject to the provisions of 15-16-203; and~~
- 18 ~~—— (h) improvements that are subject to the provisions of [section 2].~~
- 19 ~~—— (6) Credits must be assessed as provided in 15-1-101(1)(f)."~~

20

21 **Section 90.** Section 15-10-204, MCA, is amended to read:

22 **"15-10-204. Resolution or ordinance for increase over certified millage.** ~~No millage~~ Millage in excess

23 of the department of revenue's certified millage may not be levied until a resolution or ordinance is approved by

24 the governing board of the taxing authority, ~~which.~~ The resolution or ordinance must be approved by the taxing

25 authority according to the following procedure:

26 (1) The taxing authority shall publish notice of its intent to exceed the department's certified millage in

27 the same manner that it gives notice of hearings on its preliminary or proposed budget for the forthcoming fiscal

28 year. The notice must state that the taxing authority will meet on a day, at a time and place fixed in the notice,

29 which must be approximately 7 days after the day that the notice is published, for the purpose of hearing

30 comments regarding the proposed increase and to explain the reasons for the proposed increase. The meeting

1 may coincide with the meeting on the tentative budget as required by law.

2 (2) After the public hearing has been held in accordance with the ~~above~~ procedures provided in  
3 subsection (1), the taxing authority may, subject to [section 1], adopt a resolution or ordinance levying a millage  
4 rate in excess of the certified millage. If the resolution or ordinance adopting ~~such~~ the millage rate is not approved  
5 on the day of the public hearing, the day, time, and place at which the resolution or ordinance will be scheduled  
6 for consideration and approval by the taxing authority must be announced at the public hearing. If the resolution  
7 or ordinance is to be considered at a day and time that is more than 2 weeks from the public hearing, the taxing  
8 authority ~~must~~ shall again publish notice in the same manner as provided in subsection (1)."  
9

10 **Section 91.** Section 15-10-205, MCA, is amended to read:

11 **"15-10-205. Approval and copies of resolution or ordinance.** The resolution or ordinance approved  
12 in the manner provided for in this part must be forwarded to the county treasurer and the department. Millage in  
13 excess of the department's certified millage may not be levied until the resolution or ordinance to levy required  
14 in 15-10-204 is approved by the governing board of the taxing authority and as provided in [section 1] and is  
15 submitted to the department."  
16

17 **Section 92.** Section 15-10-401, MCA, is amended to read:

18 **"15-10-401. Declaration of policy.** (1) The state of Montana's reliance on the taxation of property to  
19 support education and local government has placed an unreasonable burden on the owners of all classes of  
20 property described in Title 15, chapter 6, part 1.

21 (2) Except as provided in ~~15-10-412~~ [section 1], the people of the state of Montana declare that it is the  
22 policy of the state of Montana that no further property tax increases be imposed on property. In order to reduce  
23 volatility in property taxation and in order to reduce taxpayer uncertainty, it is the policy of the legislature to  
24 develop alternatives to market value for purposes of taxation."  
25

26 **Section 93.** Section 15-10-402, MCA, is amended to read:

27 **"15-10-402. Property tax limited to 1996 levels.** Except as provided in ~~15-10-412~~ [section 1], the  
28 amount of taxes levied on property described in Title 15, chapter 6, part 1, may not, for any taxing jurisdiction,  
29 exceed the amount levied for tax year 1996."  
30

1           **Section 94.** Section 15-16-117, MCA, is amended to read:

2           **"15-16-117. Personal property -- treasurer's duty to collect certain taxes.** (1) The county treasurer  
3 shall demand payment of poor fund taxes, authorized by 53-2-322, and road taxes, authorized by 7-14-2206 or  
4 7-14-2501 through 7-14-2504, ~~of every~~ from each person liable for the taxes whose name does not appear on  
5 the property tax record. On the neglect or refusal of a person to pay the taxes, the treasurer shall collect the taxes  
6 by seizure and sale of any property owned by the person.

7           (2) ~~These~~ Subject to [section 1], these taxes must be added in the property tax record to other property  
8 taxes of persons paying taxes upon real and personal property and must be paid to the county treasurer at the  
9 time of payment of other taxes.

10           (3) The procedure for the sale of property by the county treasurer for the taxes is regulated by 15-16-119  
11 and 15-17-911.

12           (4) The provisions of this section do not apply to property for which delinquent property taxes have been  
13 suspended or canceled under the provisions of Title 15, chapter 24, part 17."

14

15           **Section 95.** Section 15-16-203, MCA, is amended to read:

16           **"15-16-203. Assessment of property previously exempt.** (1) ~~Real~~ Subject to [section 1], real property  
17 or improvements exempt from taxation under Title 15, chapter 6, that during a tax year become the property of  
18 a person subject to taxation must be assessed and taxed from the date of change from a nontaxable status to  
19 a taxable status.

20           (2) As provided in subsection (3), the county treasurer shall adjust the tax that would have been due and  
21 payable for the current year on the property under 15-16-102 if the property was not exempt.

22           (3) To determine the amount of tax due for previously exempt property, the county treasurer shall multiply  
23 the amount of tax levied and assessed on the original taxable value of the property for the year by the ratio that  
24 the number of days in the year that the property will be in taxable status bears to 365.

25           (4) If the property has not been assessed and taxed during the taxable year because of exemption, the  
26 department shall prepare a special assessment for the property and the county treasurer shall determine the  
27 amount of taxes that would have been due under subsection (2).

28           (5) Upon determining the amount of tax due, the county treasurer shall notify the person to whom the  
29 tax is assessed, in the same manner as notification is provided under 15-16-101(2), of the amount due and the  
30 date or dates on which the taxes due are payable as provided in 15-16-102."

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**Section 96.** Section 15-23-214, MCA, is amended to read:

**"15-23-214. Determination of tax -- payment.** (1) ~~On~~ Subject to [section 1] and on or before the third Monday in October, the department of revenue shall compute the tax on railroad car company property by multiplying the taxable value of the property by the average levy.

(2) After determining the tax, the department shall send to the last-known address of each railroad car company subject to taxation a written notice, postage prepaid, showing the amount of taxes due for the current year and any delinquent amount for prior years. The notice must include the taxable value of the property and the average levy used to compute the tax.

(3) The tax is due and payable to the department under the provisions of 15-16-102. A tax not received by the department within the time requirements of 15-16-102 is delinquent and subject to penalty and interest under that section."

~~Section 147.~~ Section 15-24-922, MCA, is amended to read:

~~"15-24-922. Board of livestock to prescribe per capita levy -- refunds -- per capita levy on average inventory.~~ (1) ~~The~~ Subject to [section 1], the board of livestock shall annually prescribe the amount of the per capita levy to be made against livestock of all classes for the purpose indicated in 15-24-921.

~~(2) The per capita tax levy must be calculated each year to provide not more than 110% of the average annual revenue that was generated in the 3 previous years in order to comply with [section 1]. The calculation must apply a reasonable factor for nonpayment and late payment of taxes and for reimbursement to the counties pursuant to 15-24-925 for collection of the levy.~~

~~(3) (a) A livestock owner taxed under 15-24-920 is entitled to a refund of the per capita levy collected under 15-24-921 based on the number of months the livestock have taxable situs in the state. The amount of the refund is equal to the ratio of the number of months that the livestock do not have taxable situs in the state to the number of months in the tax year, multiplied by the original per capita levy due. A taxpayer shall apply to the board of livestock on a form prescribed by the board for a refund allowed under this subsection by January 31 following the taxable year. The application must include a statement showing the date when the livestock were moved out of the state.~~

~~(b) Except as provided in subsection (3)(c), for the purposes of 15-24-921 and this section, the per capita levy may not be prorated.~~

1 ~~—— (c) A taxpayer whose livestock are taxed on the average inventory basis for property tax purposes must~~  
2 ~~also be taxed on an average inventory basis for the purposes of 15-24-921 and this section. All other livestock~~  
3 ~~subject to the per capita tax levy must be reported on February 1 of each year."~~  
4

5 **Section 97.** Section 15-24-1402, MCA, is amended to read:

6 **"15-24-1402. New or expanding industry -- assessment -- notification.** (1) In the first 5 years after  
7 a construction permit is issued, qualifying improvements or modernized processes that represent new industry  
8 or expansion of an existing industry, as designated in the approving resolution, must be taxed at 50% of their  
9 taxable value. ~~Each~~ Subject to [section 1], each year thereafter, the percentage must be increased by equal  
10 percentages until the full taxable value is attained in the 10th year. In subsequent years, the property must be  
11 taxed at 100% of its taxable value.

12 (2) (a) In order for a taxpayer to receive the tax benefits described in subsection (1), the governing body  
13 of the affected county or the incorporated city or town must have approved by separate resolution for each  
14 project, following due notice as defined in 76-15-103 and a public hearing, the use of the schedule provided for  
15 in subsection (1) for its respective jurisdiction. The governing body may not grant approval for the project until  
16 all of the applicant's taxes have been paid in full. Taxes paid under protest do not preclude approval.

17 (b) ~~The~~ Subject to [section 1], the governing body may end the tax benefits by majority vote at any time,  
18 but the tax benefits may not be denied an industrial facility that previously qualified for the benefits.

19 (c) The resolution provided for in subsection (2)(a) must include a definition of the improvements or  
20 modernized processes that qualify for the tax treatment that is to be allowed in the taxing jurisdiction. The  
21 resolution may provide that real property other than land, personal property, improvements, or any combination  
22 thereof is eligible for the tax benefits described in subsection (1).

23 (3) The taxpayer shall apply to the department for the tax treatment allowed under subsection (1). The  
24 application by the taxpayer must first be approved by the governing body of the appropriate local taxing  
25 jurisdiction, and the governing body shall indicate in its approval that the property of the applicant qualifies for the  
26 tax treatment provided for in this section. Upon receipt of the form with the approval of the governing body of the  
27 affected taxing jurisdiction, the department shall make the assessment change pursuant to this section.

28 (4) The tax benefit described in subsection (1) applies only to the number of mills levied and assessed  
29 for local high school district and elementary school district purposes and to the number of mills levied and  
30 assessed by the governing body approving the benefit over which the governing body has sole discretion. The

1 benefit described in subsection (1) may not apply to levies or assessments required under Title 15, chapter 10,  
 2 20-9-331, 20-9-333, or 20-9-360 or otherwise required under state law.

3 (5) Prior to approving the resolution under this section, the governing body shall notify by certified mail  
 4 all taxing jurisdictions affected by the tax benefit."

5  
 6 **Section 98.** Section 15-24-1501, MCA, is amended to read:

7 **"15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment**  
 8 **provisions -- levy limitations.** (1) Subject to [section 1] and the authority contained in subsection (4) of this  
 9 section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable  
 10 value by at least 2 1/2% as determined by the department, may receive tax benefits during the construction period  
 11 and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The  
 12 percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable  
 13 value caused by remodeling, reconstruction, or expansion:

14 Construction period	0%
15 First year following construction	20%
16 Second year following construction	40%
17 Third year following construction	60%
18 Fourth year following construction	80%
19 Fifth year following construction	100%
20 Following years	100%

21 (2) In order to confer the tax benefits described in subsection (1), the governing body of the affected  
 22 county or, if the construction will occur within an incorporated city or town, the governing body of the incorporated  
 23 city or town ~~must~~ shall approve by resolution for each remodeling, reconstruction, or expansion project the use  
 24 of the schedule provided for in subsection (1) or a schedule adopted pursuant to subsection (4).

25 (3) The tax benefit described in subsection (1) applies only to the number of mills levied and assessed  
 26 for high school district and elementary school district purposes and to the number of mills levied and assessed  
 27 by the local governing body approving the benefit. The benefit described in subsection (1) may not apply to  
 28 statewide levies.

29 (4) A local government may, in the resolution required by subsection (2), modify the percentages  
 30 contained in subsection (1) that apply to the first year following construction through the fourth year following



1 construction. A local government may not modify the percentages contained in subsection (1) that apply to the  
2 fifth year following construction or years following the fifth year. A local government may not modify the time limits  
3 contained in subsection (1). The modifications to the percentages in subsection (1) adopted by a local  
4 government apply uniformly to each remodeling, reconstruction, or expansion project approved by the governing  
5 body."

6  
7 **Section 99.** Section 15-24-1603, MCA, is amended to read:

8 **"15-24-1603. Historic property tax abatement -- levy limitations.** (1) ~~A~~ Subject to [section 1], a historic  
9 property undergoing rehabilitation, restoration, expansion, or new construction that meets criteria established by  
10 the review process described in 15-24-1605 or 15-24-1606 may receive a tax abatement during the construction  
11 period, not to exceed 12 months, and for up to 5 years following completion of the construction in accordance  
12 with subsections (2) and (3). The tax abatement is limited to 100% of the increase in taxable value caused by the  
13 rehabilitation, restoration, expansion, or new construction.

14 (2) In order to confer the tax benefits described in subsection (1), the governing body of the county or  
15 incorporated city or town where the improvement occurs shall establish by resolution the process for the use of  
16 the tax abatement provisions described in subsection (1).

17 (3) Property that receives a tax benefit under this part is not entitled to any other exemption or special  
18 valuation provided by Montana law during the period of the abatement.

19 (4) (a) The tax abatement applies only to the number of mills levied:

20 (i) for high school and elementary school district purposes; and

21 (ii) by the local governing body approving the abatement.

22 (b) The abatement may not apply to statewide levies."

23  
24 **Section 100.** Section 15-36-323, MCA, is amended to read:

25 **"15-36-323. Calculation of unit value.** For the purposes of distribution of oil and natural gas production  
26 taxes to county and school taxing units for production from pre-1985 wells, the department shall determine the  
27 unit value of oil and natural gas for each taxing unit as follows:

28 (1) Subject to the conditions of subsection (3), the unit value for oil for each taxing unit is the quotient  
29 obtained by dividing the net proceeds taxes calculated on oil produced and sold in that taxing unit in calendar  
30 year 1988 by the number of barrels of oil produced in that taxing unit during 1988, excluding post-1985 wells.

1           (2) Subject to the conditions of subsection (3), the unit value for natural gas is the quotient obtained by  
 2 dividing the net proceeds taxes calculated on natural gas produced and sold in that taxing unit in calendar year  
 3 1988 by the number of cubic feet of natural gas produced in that taxing unit during 1988, excluding post-1985  
 4 wells.

5           (3) The amount of net proceeds taxes calculated under subsections (1) and (2) may not include the  
 6 amount of taxes that are attributable to a voted levy, ~~as described in 15-10-412(7)~~, for which additional mills were  
 7 levied in fiscal year 1990."

8

9           ~~Section 158.~~ Section 19-3-204, MCA, is amended to read:

10           ~~"19-3-204. Tax levy to meet employer's obligations. (1) If Subject to [section 1], if the required~~  
 11 ~~contributions to the retirement system exceed the funds available to a contracting employer from general revenue~~  
 12 ~~sources, the contracting employer may budget, levy, and collect annually a special tax upon the assessable~~  
 13 ~~property of the contracting employer in the number of cents per \$100 of assessable property as is sufficient to~~  
 14 ~~raise the amount estimated by the legislative body to be required to provide sufficient revenue to meet the~~  
 15 ~~obligation of the contracting employer to the retirement system. The rate of taxation may be in addition to the~~  
 16 ~~annual rate of taxation allowed by law to be levied by the contracting employer.~~

17           ~~(2) A person who is a member or designated beneficiary of the retirement system because of the~~  
 18 ~~participation of the contracting employer may maintain the appropriate action or proceeding to require the~~  
 19 ~~contracting employer to budget, levy, and collect the special tax authorized in subsection (1)."~~

20

21           ~~Section 159.~~ Section 19-7-404, MCA, is amended to read:

22           ~~"19-7-404. Employer contributions. (1) The employer shall pay monthly 9.535% of each member's~~  
 23 ~~gross compensation into the pension trust fund created by this chapter.~~

24           ~~(2) If the required contribution to the retirement system exceeds the funds available to a county from~~  
 25 ~~general revenue sources, a county may, subject to [section 1], budget, levy, and collect annually a special tax~~  
 26 ~~on the assessable property within the county that is sufficient to raise the amount of revenue needed to meet the~~  
 27 ~~county's obligation. This tax may be in addition to the annual rate of taxation allowed by law to be levied by the~~  
 28 ~~county."~~

29

30           ~~Section 160.~~ Section 19-9-209, MCA, is amended to read:

1 ~~—————"19-9-209. Taxing authority of employers. (1) For the purpose of making contributions required of a~~  
 2 ~~city under this chapter, when the demand for deposits of such contributions cannot be met within the general~~  
 3 ~~taxing authority and other revenues available to the city for that purpose, the appropriate authority of the city may,~~  
 4 ~~subject to [section 1], levy any additional tax authorized by law until the general taxing authority and other revenue~~  
 5 ~~available for that purpose is sufficient to meet the demand.~~

6 ~~————(2) "General taxing authority", as used in this section, means that the levy which that the city may make~~  
 7 ~~under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.~~

8 ~~————(3) No provision of any statute relating to the all-purpose levy may be so construed as to limit the~~  
 9 ~~additional taxing authority created by this section."~~

10

11 ~~————Section 161. Section 19-13-214, MCA, is amended to read:~~

12 ~~————"19-13-214. Taxing authority of employers. (1) For the purpose of making contributions required of~~  
 13 ~~a city under this chapter, whenever the demand for deposits of such contributions cannot be met within the~~  
 14 ~~general taxing authority and other revenues revenue available to the city for that purpose, the appropriate~~  
 15 ~~authority of the city may, subject to [section 1], levy any additional tax authorized by law until the general taxing~~  
 16 ~~authority and other revenue available for that purpose is sufficient to meet the demand.~~

17 ~~————(2) "General taxing authority", as used in this section, means that the levy which that the city may make~~  
 18 ~~under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.~~

19 ~~————(3) No provision of any statute relating to the all-purpose levy may be so construed as to limit the~~  
 20 ~~additional taxing authority created by this section."~~

21

22 ~~————Section 162. Section 19-18-504, MCA, is amended to read:~~

23 ~~————"19-18-504. Amount of special tax levy. Whenever Subject to [section 1], whenever the fund contains~~  
 24 ~~an amount which that is less than 4% of the taxable valuation of all taxable property in the city or town, the city~~  
 25 ~~council shall levy an annual special tax of not less than 1 mill and not more than 4 mills on each dollar of taxable~~  
 26 ~~valuation of all taxable property within the city or town."~~

27

28 ~~————Section 163. Section 19-19-301, MCA, is amended to read:~~

29 ~~————"19-19-301. City's contribution to fund. Each city, other than one of the first or second class, which~~  
 30 ~~that has a police retirement fund and which that did not elect to join the statewide police reserve fund provided~~

1 for in Chapter 335, Laws of 1974, and has not elected to participate in the plan under 19-9-207 shall deposit in  
2 its fund monthly an amount equal to 11% of the total salaries for the preceding month paid to active police officers  
3 of such ~~the~~ city, exclusive of overtime and payments in lieu of sick leave and annual leave. If Subject to [section  
4 1], if the demand against a city for deposits in its fund is such that it cannot be met within the general taxing  
5 authority of the city, an additional levy not to exceed 3 mills may be made until the general taxing authority is  
6 sufficient to meet the demand."

7  
8 **Section 101.** Section 20-3-205, MCA, is amended to read:

9 **"20-3-205. Powers and duties.** The county superintendent has general supervision of the schools of  
10 the county within the limitations prescribed by this title and shall perform the following duties or acts:

11 (1) determine, establish, and reestablish trustee nominating districts in accordance with the provisions  
12 of 20-3-352, 20-3-353, and 20-3-354;

13 (2) administer and file the oaths of members of the boards of trustees of the districts in the county in  
14 accordance with the provisions of 20-3-307;

15 (3) register the teacher or specialist certificates or emergency authorization of employment of any person  
16 employed in the county as a teacher, specialist, principal, or district superintendent in accordance with the  
17 provisions of 20-4-202;

18 (4) act on each tuition and transportation obligation submitted in accordance with the provisions of  
19 20-5-323 and 20-5-324;

20 (5) file a copy of the audit report for a district in accordance with the provisions of 20-9-203;

21 (6) classify districts in accordance with the provisions of 20-6-201 and 20-6-301;

22 (7) keep a transcript and reconcile the district boundaries of the county in accordance with the provisions  
23 of 20-6-103;

24 (8) fulfill all responsibilities assigned under the provisions of this title regulating the organization,  
25 alteration, or abandonment of districts;

26 (9) act on any unification proposition and, if approved, establish additional trustee nominating districts  
27 in accordance with 20-6-312 and 20-6-313;

28 (10) estimate the average number belonging (ANB) of an opening school in accordance with the  
29 provisions of 20-6-502, 20-6-503, 20-6-504, or 20-6-506;

30 (11) process and, when required, act on school isolation applications in accordance with the provisions

1 of 20-9-302;

2 (12) complete the budgets, compute the budgeted ~~revenues~~ revenue and tax levies, file final budgets and  
3 budget amendments, and fulfill other responsibilities assigned under the provisions of this title regulating school  
4 budgeting systems;

5 (13) submit an annual financial report to the superintendent of public instruction in accordance with the  
6 provisions of 20-9-211;

7 (14) monthly, unless otherwise provided by law, order the county treasurer to apportion state money,  
8 county school money, and any other school money subject to apportionment in accordance with the provisions  
9 of 20-9-212, 20-9-335, 20-9-347, 20-10-145, or 20-10-146;

10 (15) act on any request to transfer average number belonging (ANB) in accordance with the provisions  
11 of 20-9-313(3);

12 (16) calculate the estimated budgeted general fund sources of revenue in accordance with the general  
13 fund revenue provisions of the general fund part of this title;

14 (17) compute the ~~revenues~~ revenue and, subject to [section 1], compute the district and county levy  
15 requirements for each fund included in each district's final budget and report the computations to the board of  
16 county commissioners in accordance with the provisions of the general fund, transportation, bonds, and other  
17 school funds parts of this title;

18 (18) file and forward bus driver certifications, transportation contracts, and state transportation  
19 reimbursement claims in accordance with the provisions of 20-10-103, 20-10-143, or 20-10-145;

20 (19) for districts that do not employ a district superintendent or principal, recommend library book and  
21 textbook selections in accordance with the provisions of 20-7-204 or 20-7-602;

22 (20) notify the superintendent of public instruction of a textbook dealer's activities when required under  
23 the provisions of 20-7-605 and otherwise comply with the textbook dealer provisions of this title;

24 (21) act on district requests to allocate federal money for indigent children for school food services in  
25 accordance with the provisions of 20-10-205;

26 (22) perform any other duty prescribed from time to time by this title, any other act of the legislature, the  
27 policies of the board of public education, the policies of the board of regents relating to community college  
28 districts, or the rules of the superintendent of public instruction;

29 (23) administer the oath of office to trustees without the receipt of pay for administering the oath;

30 (24) keep a record of official acts, preserve all reports submitted to the superintendent under the

1 provisions of this title, preserve all books and instructional equipment or supplies, keep all documents applicable  
2 to the administration of the office, and surrender all records, books, supplies, and equipment to the next  
3 superintendent;

4 (25) within 90 days after the close of the school fiscal year, publish an annual report in the county  
5 newspaper stating the following financial information for the school fiscal year just ended for each district of the  
6 county:

7 (a) the total of the cash balances of all funds maintained by the district at the beginning of the year;

8 (b) the total receipts that were realized in each fund maintained by the district;

9 (c) the total expenditures that were made from each fund maintained by the district; and

10 (d) the total of the cash balances of all funds maintained by the district at the end of the school fiscal  
11 year; and

12 (26) hold meetings for the members of the trustees from time to time at which matters for the good of the  
13 districts must be discussed."

14

15 **Section 102.** Section 20-3-324, MCA, is amended to read:

16 **"20-3-324. Powers and duties.** As prescribed elsewhere in this title, the trustees of each district shall:

17 (1) employ or dismiss a teacher, principal, or other assistant upon the recommendation of the district  
18 superintendent, the county high school principal, or other principal as the board considers necessary, accepting  
19 or rejecting any recommendation as the trustees in their sole discretion determine, in accordance with the  
20 provisions of Title 20, chapter 4;

21 (2) employ and dismiss administrative personnel, clerks, secretaries, teacher aides, custodians,  
22 maintenance personnel, school bus drivers, food service personnel, nurses, and any other personnel considered  
23 necessary to carry out the various services of the district;

24 (3) administer the attendance and tuition provisions and govern the pupils of the district in accordance  
25 with the provisions of the pupils chapter of this title;

26 (4) call, conduct, and certify the elections of the district in accordance with the provisions of the school  
27 elections chapter of this title;

28 (5) participate in the teachers' retirement system of the state of Montana in accordance with the  
29 provisions of the teachers' retirement system chapter of Title 19;

30 (6) participate in district boundary change actions in accordance with the provisions of the districts

1 chapter of this title;

2 (7) organize, open, close, or acquire isolation status for the schools of the district in accordance with the  
3 provisions of the school organization part of this title;

4 (8) adopt and administer the annual budget or a budget amendment of the district in accordance with  
5 the provisions of the school budget system part of this title;

6 (9) conduct the fiscal business of the district in accordance with the provisions of the school financial  
7 administration part of this title;

8 (10) subject to [section 1], establish the ANB, BASE budget levy, over-BASE budget levy, additional levy,  
9 operating reserve, and state impact aid amounts for the general fund of the district in accordance with the  
10 provisions of the general fund part of this title;

11 (11) establish, maintain, budget, and finance the transportation program of the district in accordance with  
12 the provisions of the transportation parts of this title;

13 (12) issue, refund, sell, budget, and redeem the bonds of the district in accordance with the provisions  
14 of the bonds parts of this title;

15 (13) when applicable, establish, financially administer, and budget for the tuition fund, retirement fund,  
16 building reserve fund, adult education fund, nonoperating fund, school food services fund, miscellaneous  
17 programs fund, building fund, lease or rental agreement fund, traffic education fund, impact aid fund, interlocal  
18 cooperative agreement fund, and other funds as authorized by the state superintendent of public instruction in  
19 accordance with the provisions of the other school funds parts of this title;

20 (14) when applicable, administer any interlocal cooperative agreement, gifts, legacies, or devises in  
21 accordance with the provisions of the miscellaneous financial parts of this title;

22 (15) hold in trust, acquire, and dispose of the real and personal property of the district in accordance with  
23 the provisions of the school sites and facilities part of this title;

24 (16) operate the schools of the district in accordance with the provisions of the school calendar part of  
25 this title;

26 (17) establish and maintain the instructional services of the schools of the district in accordance with the  
27 provisions of the instructional services, textbooks, vocational education, and special education parts of this title;

28 (18) establish and maintain the school food services of the district in accordance with the provisions of  
29 the school food services parts of this title;

30 (19) make reports from time to time as the county superintendent, superintendent of public instruction,

1 and board of public education may require;

2 (20) retain, when considered advisable, a physician or registered nurse to inspect the sanitary conditions  
3 of the school or the general health conditions of each pupil and, upon request, make available to any parent or  
4 guardian any medical reports or health records maintained by the district pertaining to the child;

5 (21) for each member of the trustees, visit each school of the district not less than once each school fiscal  
6 year to examine its management, conditions, and needs, except trustees from a first-class school district may  
7 share the responsibility for visiting each school in the district;

8 (22) procure and display outside daily in suitable weather on school days at each school of the district  
9 an American flag that measures not less than 4 feet by 6 feet;

10 (23) provide that an American flag that measures approximately 12 inches by 18 inches be prominently  
11 displayed in each classroom in each school of the district, except in a classroom in which the flag may get soiled.  
12 This requirement is waived if the flags are not provided by a local civic group.

13 (24) adopt and administer a district policy on assessment for placement of any child who enrolls in a  
14 school of the district from a nonpublic school that is not accredited, as required in 20-5-110;

15 (25) upon request and in compliance with confidentiality requirements of state and federal law, disclose  
16 to interested parties school district student assessment data for any test required by the board of public  
17 education; and

18 (26) perform any other duty and enforce any other requirements for the government of the schools  
19 prescribed by this title, the policies of the board of public education, or the rules of the superintendent of public  
20 instruction."

21

22 ~~Section 105. Section 20-6-413, MCA, is amended to read:~~

23 ~~"20-6-413. Cash disposition when district ceases to exist--special levy for tuition debt. Whenever~~  
24 ~~a district shall cease ceases to exist in any manner prescribed in this title, except when districts are consolidated,~~  
25 ~~the cash on hand to the credit of the funds of the district and the debts of such the former district shall must be~~  
26 ~~allocated in the following manner:~~

27 ~~(1) Any cash to the credit of the district shall must be used to pay any debts of the district, including~~  
28 ~~bonded indebtedness, except that any cash available in the debt service fund shall must be used first to pay bond~~  
29 ~~interest and all outstanding bonds.~~

30 ~~(2) If any cash remains to the credit of the district after paying its debts, the cash shall must be~~



1 transferred by the county treasurer to the credit of the district or districts assuming its territory. When the territory  
 2 is assumed by more than one district, the remaining cash shall must be prorated between the districts on the  
 3 basis of the number of children attending school and residing within the territory assumed by each district as  
 4 determined by the county superintendent.

5 ~~———— (3) If any tuition debt remains as an obligation of the district, the tuition debt shall be is the obligation of~~  
 6 ~~the taxable property of the discontinued district, except when the tuition debt has been assumed by the~~  
 7 ~~consolidated or annexing district. The Subject to [section 1], the tuition debt shall must be financed by a mill levy~~  
 8 ~~on the property of the discontinued district and paid from these proceeds by the county superintendent.~~

9 ~~———— (4) If any debts, other than bonded indebtedness and tuition, remain as an obligation of the district after~~  
 10 ~~the cash has been utilized under the provisions of subsection (1) above, the debts shall must be assigned in the~~  
 11 ~~same manner prescribed for the transfer of cash under subsection (2) above."~~

12  
 13 **Section 103.** Section 20-7-705, MCA, is amended to read:

14 **"20-7-705. Adult education fund.** (1) A separate adult education fund must be established when an  
 15 adult education program is operated by a district or community college district. The financial administration of the  
 16 fund must comply with the budgeting, financing, and expenditure provisions of the laws governing the schools.

17 (2) Whenever the trustees of a district establish an adult education program under the provisions of  
 18 20-7-702, they shall establish an adult education fund under the provisions of this section. The adult education  
 19 fund is the depository for all district money received by the district in support of the adult education program.  
 20 Federal and state adult education program money must be deposited in the miscellaneous programs fund.

21 (3) ~~The Subject to [section 1], the~~ trustees of a district may authorize the levy of a tax of not more than  
 22 1 mill on the district, except that trustees of a county high school district may, whether or not the county high  
 23 school district is unified with an elementary district under the provisions of 20-6-312, authorize a levy of not more  
 24 than 2 mills on the district and a K-12 school district formed under the provisions of 20-6-701 may authorize a  
 25 levy of not more than 3 mills on the district, for the operation of an adult education program.

26 (4) Whenever the trustees of a district decide to offer an adult education program during the ensuing  
 27 school fiscal year, they shall budget for the cost of the program in the adult education fund of the final budget.  
 28 Any expenditures in support of the adult education program under the final adult education budget must be made  
 29 in accordance with the financial administration provisions of this title for a budgeted fund.

30 (5) When a tax levy for an adult education program is included as a revenue item on the final adult

1 education budget, the county superintendent shall report the levy requirement to the county commissioners on  
2 the fourth Monday of August and a levy on the district must be made by the county commissioners in accordance  
3 with 20-9-142."

4  
5 **Section 104.** Section 20-7-714, MCA, is amended to read:

6 **"20-7-714. County adult literacy programs -- authorization to levy tax and establish fund.** (1) (a)  
7 ~~The~~ Subject to [section 1], the governing body of a county may, in its discretion, establish a fund and levy up to  
8 1 mill on each dollar of taxable property in the county for the support of county literacy programs that give first  
9 priority to providing direct instruction to adults. The tax levy is in addition to all other tax levies and is subject to  
10 limitations on property taxes set forth in 15-10-402.

11 (b) The fund may be used only for the support of adult literacy programs within the county.

12 (2) (a) If a county levies a property tax for adult literacy programs, the county governing body shall  
13 appoint a county adult literacy board to administer the expenditure of funds from the county adult literacy fund  
14 established in subsection (1).

15 (b) The county adult literacy board shall coordinate all adult literacy programs receiving county adult  
16 literacy funds. The board may adopt policies concerning program standards and financial accountability for  
17 organizations receiving adult literacy funds. The board may require that adult literacy programs match adult  
18 literacy funds with federal, state, or private money. The board may, with the concurrence of the appropriate county  
19 officials, arrange for county in-kind services to support adult literacy programs.

20 (c) County adult literacy funding may be expended only on literacy programs for persons who are 16  
21 years of age or older and who are not regularly enrolled, full-time pupils for the purposes of ANB computation."

22  
23 **Section 105.** Section 20-9-131, MCA, is amended to read:

24 **"20-9-131. Final budget meeting.** (1) On the second Monday in August, at the time and place noticed  
25 pursuant to 20-9-115, the trustees of each district shall meet to consider all budget information and any  
26 attachments required by law.

27 (2) The trustees may continue the meeting from day to day but shall adopt the final budget for the district  
28 and, subject to [section 1], determine the amounts to be raised by tax levies for the district not later than the fourth  
29 Monday in August and before the fixing of the tax levies for each district. Any taxpayer in the district may attend  
30 any portion of the trustees' meeting and be heard on the budget of the district or on any item or amount contained

1 in the budget."

2

3 **Section 106.** Section 20-9-141, MCA, is amended to read:

4 **"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) ~~The~~  
5 Subject to [section 1], the county superintendent shall compute the levy requirement for each district's general  
6 fund on the basis of the following procedure:

7 (a) Determine the funding required for the district's final general fund budget less the sum of direct state  
8 aid and the special education allowable cost payment for the district by totaling:

9 (i) the district's nonisolated school BASE budget requirement to be met by a district levy as provided in  
10 20-9-303; and

11 (ii) any general fund budget amount adopted by the trustees of the district under the provisions of  
12 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum  
13 general fund budget.

14 (b) Determine the money available for the reduction of the property tax on the district for the general fund  
15 by totaling:

16 (i) the general fund balance reappropriated, as established under the provisions of 20-9-104;

17 (ii) amounts received in the last fiscal year for which revenue reporting was required for each of the  
18 following:

19 (A) tuition payments for out-of-district pupils under the provisions of 20-5-321 through 20-5-323, except  
20 the amount of tuition received for a pupil who is a child with disabilities in excess of the amount received for a  
21 pupil without disabilities, as calculated under 20-5-323(2);

22 (B) revenue from taxes and fees imposed under 23-2-517, 23-2-803, ~~61-3-504~~, 61-3-521, 61-3-527,  
23 61-3-529, ~~61-3-537~~, and 67-3-204;

24 (C) ANTICIPATED oil and natural gas production taxes AND REIMBURSEMENTS FOR LOST TAXES;

25 (D) interest earned by the investment of general fund cash in accordance with the provisions of  
26 20-9-213(4);

27 (E) revenue from corporation license taxes collected from financial institutions under the provisions of  
28 15-31-702; and

29 (F) any other ANTICIPATED revenue received during the school fiscal year that may be used to finance  
30 the general fund, ~~excluding~~ INCLUDING ANY REIMBURSEMENTS FOR PROPERTY TAX REDUCTIONS BUT NOT INCLUDING

1 any guaranteed tax base aid; and

2 (iii) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703;

3 (IV) ANTICIPATED REVENUE FROM REIMBURSEMENTS FOR PROPERTY TAX REDUCTIONS; AND

4 (V) ANTICIPATED REVENUE FROM TAXES IMPOSED UNDER 61-3-504 AND 61-3-537.

5 (c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property  
6 tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund  
7 budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general  
8 fund BASE budget levy requirement.

9 (d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional  
10 funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any  
11 additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.

12 (2) ~~The~~ Subject to [section 1], the county superintendent shall calculate the number of mills to be levied  
13 on the taxable property in the district to finance the general fund levy requirement for any amount that does not  
14 exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the  
15 sum of:

16 (a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified  
17 by the superintendent of public instruction; and

18 (b) the taxable valuation of the district divided by 1,000.

19 (3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported  
20 to the county commissioners on the fourth Monday of August by the county superintendent as the general fund  
21 net levy requirement for the district, and a levy must be set by the county commissioners in accordance with  
22 20-9-142.

23 (4) For each school district, the department of revenue shall calculate and report to the county  
24 superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross  
25 proceeds under 15-23-703."

26

27 **Section 107.** Section 20-9-142, MCA, is amended to read:

28 **"20-9-142. Fixing and levying taxes by board of county commissioners.** On the fourth Monday in  
29 August, the county superintendent shall place before the board of county commissioners the final adopted budget  
30 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

1 taxable value of all the real and personal property within the district all district and county taxation required to  
 2 finance, within the limitations provided by law, the final budget."

3

4 **Section 108.** Section 20-9-151, MCA, is amended to read:

5 **"20-9-151. Budgeting procedure for joint districts.** (1) The trustees of a joint district shall adopt a  
 6 budget according to the school budgeting laws and send a copy of ~~such the~~ budget to the county superintendent  
 7 of each county in which a part of the joint district is located. After approval by the trustees of the joint district the  
 8 final budgets of joint districts ~~shall~~ must be filed in the office of the county superintendent of each county in which  
 9 a part of a joint district is located.

10 (2) The county superintendents receiving the budget of a joint district shall jointly compute the estimated  
 11 budget ~~revenues~~ revenue and determine the number of mills ~~which that~~ need to be levied in the joint district for  
 12 each fund for which a levy is to be made. The superintendent of public instruction shall establish a communication  
 13 procedure to facilitate the joint estimation of ~~revenues~~ revenue and determination of the tax levies.

14 (3) After determining, in accordance with law and subject to [section 1], the number of mills ~~which that~~  
 15 need to be levied for each fund included on the final budget of the joint district, a joint statement of the required  
 16 mill levies ~~shall~~ must be prepared and signed by the county superintendents involved in the computation. A copy  
 17 of the statement ~~shall~~ must be delivered to the board of county commissioners of each county in which a part of  
 18 the joint district is located not later than the Friday immediately preceding the second Monday in August."

19

20 **Section 109.** Section 20-9-152, MCA, is amended to read:

21 **"20-9-152. Fixing and levying taxes for joint districts.** (1) At the time of fixing levies for county and  
 22 school purposes on the second Monday in August, the board of county commissioners of each county in which  
 23 a part of a joint district is located shall, subject to [section 1], fix and levy taxes on that portion of the joint district  
 24 located in ~~such each~~ board's county at the number of mills for each ~~such~~ levy recommended by the joint  
 25 statement of the county superintendents.

26 (2) The board of county commissioners shall include in the amounts to be raised by the county levies  
 27 for schools all the amounts required for the final budget of each part of a joint district located in the county, in  
 28 accordance with the recommendations of the county superintendent."

29

30 **Section 110.** Section 20-9-168, MCA, is amended to read:

1           **"20-9-168. Emergency budget amendment tax levy.** When a budget amendment has been adopted  
 2 by the board of trustees under 20-9-161(2) and a district does not have sufficient funds, including insurance  
 3 proceeds and reserves, to finance the budget amendment, the district may, subject to [section 1], levy a tax in  
 4 the ensuing school year to fund the expenditures authorized by the budget amendment. The amount levied may  
 5 not exceed the unfunded amount of the budget amendment."  
 6

7           ~~Section 114.~~ Section 20-9-303, MCA, is amended to read:

8           ~~"20-9-303. Nonisolated school BASE budget funding -- special education funds.~~ (1) An elementary  
 9 school that has an ANB of nine or fewer pupils for 2 consecutive years and that is not approved as an isolated  
 10 school under the provisions of 20-9-302 may budget and spend the BASE budget amount, but the county and  
 11 state shall provide one-half of the direct state aid, and subject to [section 1], the district shall finance the remaining  
 12 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  
 13 is approved as isolated under the provisions of 20-9-302, the county and state shall participate in the financing  
 14 of the total amount of the direct state aid.

15           ~~(2) Funds provided to support the special education program may be expended only for special~~  
 16 ~~education purposes as approved by the superintendent of public instruction in accordance with the special~~  
 17 ~~education budgeting provisions of this title. Expenditures for special education must be accounted for separately~~  
 18 ~~from and in addition to the balance of the school district general fund budgeting requirements provided in~~  
 19 ~~20-9-307 and 20-9-308. The amount of the special education allowable cost payments that is not matched with~~  
 20 ~~district funds, as required in 20-9-321, will reduce by a like amount the district's ensuing year's allowable cost~~  
 21 ~~payment for special education."~~  
 22

23           ~~Section 115.~~ Section 20-9-308, MCA, is amended to read:

24           ~~"20-9-308. BASE budgets and maximum general fund budgets.~~ (1) The trustees of a district shall  
 25 adopt a general fund budget that:

26           ~~(a) except as provided in subsection (2), is at least equal to the BASE budget established for the district;~~  
 27 or

28           ~~(b) except as provided in section 3, Chapter 38, Special Laws of November 1993, and subsection (4)~~  
 29 ~~of this section, does not exceed the maximum general fund budget established for the district.~~

30           ~~(2) (a) If the BASE budget for a district for the school fiscal year is greater than the general fund budget~~

1 of the district for the prior school fiscal year, the trustees of the district:

2 ~~——— (i) shall increase the general fund budget by at least:~~

3 ~~——— (A) 25% of the range between the district general fund budget for the school fiscal year ending June 30,~~

4 ~~1994, and the BASE budget for the district for the school fiscal year beginning July 1, 1994;~~

5 ~~——— (B) 33.3% of the range between the district general fund budget for the school fiscal year ending June~~

6 ~~30, 1995, and the BASE budget for the district for the school fiscal year beginning July 1, 1995;~~

7 ~~——— (C) 50% of the range between the district general fund budget for the school fiscal year ending June 30,~~

8 ~~1996, and the BASE budget for the district for the school fiscal year beginning July 1, 1996; or~~

9 ~~——— (D) the remainder of the range between the district general fund budget for the school fiscal year ending~~

10 ~~June 30, 1997, and the BASE budget for the district for the school fiscal year beginning July 1, 1997;~~

11 ~~——— (ii) may increase the general fund budget beyond the amount in subsection (2)(a)(i) but by not by more~~

12 ~~than 4% of the previous year's general fund budget or by not more than 4% of the previous year's general fund~~

13 ~~per-ANB multiplied by the current year's ANB for budgeting purposes pursuant to subsection (2)(b).~~

14 ~~——— (b) The trustees shall submit a proposition on any amount exceeding the limitations in subsection (2)(a)(i)~~

15 ~~to the electors of the district, as provided in 20-9-353.~~

16 ~~——— (3) (a) Whenever the trustees of a district adopt a general fund budget that exceeds the BASE budget~~

17 ~~for the district but does not exceed the maximum general fund budget for the district, the trustees shall submit~~

18 ~~a proposition to the electors of the district, as provided in 20-9-353, for any budget amount that exceeds the~~

19 ~~previous year's general fund budget amount or the previous year's general fund budget per-ANB multiplied by~~

20 ~~the current year's ANB for budgeting purposes.~~

21 ~~——— (b) A general fund budget adopted under this subsection (3) may not exceed the greater of:~~

22 ~~——— (i) 104% of the previous year's general fund budget as adjusted by the provisions of section 3, Chapter~~

23 ~~38, Special Laws of November 1993; or~~

24 ~~——— (ii) 104% of the previous year's general fund budget per-ANB multiplied by the current year's ANB for~~

25 ~~budgeting purposes as adjusted by the provisions of section 3, Chapter 38, Special Laws of November 1993.~~

26 ~~——— (4) (a) If the maximum general fund budget for a district for an ensuing school fiscal year is less than the~~

27 ~~general fund budget for the district for the current school fiscal year, as adjusted by the provisions of section 3,~~

28 ~~Chapter 38, Special Laws of November 1993, the trustees of the district may not adopt a general fund budget~~

29 ~~for the ensuing school fiscal year that is greater than the district's general fund budget for the current school fiscal~~

30 ~~year.~~

1 ~~\_\_\_\_\_ (b) Except for the school fiscal year beginning July 1, 1994, the The trustees of the district shall submit~~  
 2 ~~a proposition to raise any general fund budget amount that is in excess of the maximum general fund budget for~~  
 3 ~~the district to the electors who are qualified under 20-20-301 to vote on the proposition, as provided in 20-9-353.~~

4 ~~\_\_\_\_\_ (5) Whenever the trustees of a district adopt a general fund budget that does not exceed the BASE~~  
 5 ~~budget for the district, the trustees shall finance this amount with the following sources of revenue:~~

6 ~~\_\_\_\_\_ (a) state equalization aid as provided in 20-9-343, including any guaranteed tax base aid for which the~~  
 7 ~~district may be eligible, as provided in 20-9-366 through 20-9-369;~~

8 ~~\_\_\_\_\_ (b) county equalization aid, as provided in 20-9-331 and 20-9-333;~~

9 ~~\_\_\_\_\_ (c) a district levy for support of a school not approved as an isolated school under the provisions of~~  
 10 ~~20-9-302;~~

11 ~~\_\_\_\_\_ (d) payments in support of special education programs under the provisions of 20-9-321;~~

12 ~~\_\_\_\_\_ (e) nonlevy revenue as provided in 20-9-141; and~~

13 ~~\_\_\_\_\_ (f) a BASE budget levy on the taxable value of all property within the district.~~

14 ~~\_\_\_\_\_ (6) The Subject to [section 1], the over-BASE budget amount of a district must be financed by a levy on~~  
 15 ~~the taxable value of all property within the district or other revenue available to the district as provided in~~  
 16 ~~20-9-141."~~

17  
 18 **Section 111.** Section 20-9-331, MCA, is amended to read:

19 **"20-9-331. Basic county tax for elementary equalization and other revenue for county**  
 20 **equalization of elementary BASE funding program.** (1) ~~The Subject to [section 1], the~~ county commissioners  
 21 of each county shall levy an annual basic county tax of 33 mills on the dollar of the taxable value of all taxable  
 22 property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-504,  
 23 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204, for the purposes of elementary equalization and state  
 24 BASE funding program support. The revenue collected from this levy must be apportioned to the support of the  
 25 elementary BASE funding programs of the school districts in the county and to the state general fund in the  
 26 following manner:

27 (a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum  
 28 of the estimated revenue identified in subsection (2) must be subtracted from the total of the BASE funding  
 29 programs of all elementary districts of the county.

30 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is required



1 to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state  
2 treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each  
3 subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has  
4 been set.

5 (2) The revenue realized from the county's portion of the levy prescribed by this section and the revenue  
6 from the following sources must be used for the equalization of the elementary BASE funding program of the  
7 county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer  
8 in accordance with 20-9-212(1):

9 (a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for the  
10 elementary county equalization fund under the provisions of 17-3-222;

11 (b) the portion of the federal flood control act funds distributed to a county and designated for expenditure  
12 for the benefit of the county common schools under the provisions of 17-3-232;

13 (c) all money paid into the county treasury as a result of fines for violations of law, except money paid  
14 to a justice's court, and the use of which is not otherwise specified by law;

15 (d) any money remaining at the end of the immediately preceding school fiscal year in the county  
16 treasurer's accounts for the various sources of revenue established or referred to in this section;

17 (e) any federal or state money distributed to the county as payment in lieu of property taxation, including  
18 federal forest reserve funds allocated under the provisions of 17-3-213;

19 (f) gross proceeds taxes from coal under 15-23-703;

20 (g) oil and natural gas production taxes;

21 (h) anticipated local government severance tax payments for calendar year 1995 production as provided  
22 in 15-36-325; and

23 (i) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,  
24 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204."

25

26 **Section 112.** Section 20-9-333, MCA, is amended to read:

27 **"20-9-333. Basic county tax for high school equalization and other revenue for county**  
28 **equalization of high school BASE funding program.** (1) The Subject to [section 1], the county commissioners  
29 of each county shall levy an annual basic county tax of 22 mills on the dollar of the taxable value of all taxable  
30 property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-504,

1 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  
2 BASE funding program support. The revenue collected from this levy must be apportioned to the support of the  
3 BASE funding programs of high school districts in the county and to the state general fund in the following  
4 manner:

5 (a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum  
6 of the estimated revenue identified in subsection (2) must be subtracted from the sum of the county's high school  
7 tuition obligation and the total of the BASE funding programs of all high school districts of the county.

8 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is required  
9 to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state  
10 treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each  
11 subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has  
12 been set.

13 (2) The revenue realized from the county's portion of the levy prescribed in this section and the revenue  
14 from the following sources must be used for the equalization of the high school BASE funding program of the  
15 county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer  
16 in accordance with 20-9-212(1):

17 (a) any money remaining at the end of the immediately preceding school fiscal year in the county  
18 treasurer's accounts for the various sources of revenue established in this section;

19 (b) any federal or state money distributed to the county as payment in lieu of property taxation, including  
20 federal forest reserve funds allocated under the provisions of 17-3-213;

21 (c) gross proceeds taxes from coal under 15-23-703;

22 (d) oil and natural gas production taxes;

23 (e) anticipated local government severance tax payments for calendar year 1995 production as provided  
24 in 15-36-325; and

25 (f) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,  
26 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204."

27

28 **Section 113.** Section 20-9-360, MCA, is amended to read:

29 **"20-9-360. State equalization aid levy.** ~~There~~ Subject to [section 1], there is a levy of 40 mills imposed  
30 by the county commissioners of each county on all taxable property within the state, except property for which

1 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  
 2 67-3-204. Proceeds of the levy must be remitted to the state treasurer and must be deposited to the credit of the  
 3 state general fund for state equalization aid to the public schools of Montana."

4  
 5 ~~SECTION 119. SECTION 20-9-366, MCA, IS AMENDED TO READ:~~

6 ~~"20-9-366. Definitions. As used in 20-9-366 through 20-9-369, the following definitions apply:~~

7 ~~(1) "County retirement mill value per elementary ANB" or "county retirement mill value per high school~~  
 8 ~~ANB" means the sum of the taxable valuation in the previous year of all property in the county divided by 1,000,~~  
 9 ~~with the quotient divided by the total county elementary ANB count or the total county high school ANB count~~  
 10 ~~used to calculate the elementary school districts' and high school districts' current year total per-ANB entitlement~~  
 11 ~~amounts.~~

12 ~~(2) (a) "District guaranteed tax base ratio" for guaranteed tax base funding for the BASE budget of an~~  
 13 ~~eligible district means the taxable valuation in the previous year of all property in the district divided by the sum~~  
 14 ~~of the district's current year direct state aid and 40% of the special education allowable cost payment.~~

15 ~~(b) "District mill value per ANB", for school facility entitlement purposes, means the taxable valuation in~~  
 16 ~~the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the~~  
 17 ~~district used to calculate the district's current year total per-ANB entitlement amount.~~

18 ~~(3) (a) "Statewide elementary guaranteed tax base ratio" or "statewide high school guaranteed tax base~~  
 19 ~~ratio", for guaranteed tax base funding for the BASE budget of an eligible district, means the sum of the taxable~~  
 20 ~~valuation in the previous year of all property in the state, multiplied by 175% 178% for fiscal year 2000 and 210%~~  
 21 ~~thereafter and divided by the total sum of either the state elementary school districts' or the high school districts'~~  
 22 ~~current year total direct state aid and 40% of special education allowable cost amounts.~~

23 ~~(b) "Statewide mill value per elementary ANB" or "statewide mill value per high school ANB", for school~~  
 24 ~~facility entitlement and:~~

25 ~~(i) retirement guaranteed tax base purposes, means the sum of the taxable valuation in the previous year~~  
 26 ~~of all property in the state, multiplied by 121% 124% for fiscal year 2000 and 137% thereafter and divided by~~  
 27 ~~1,000, with the quotient divided by the total state elementary ANB count or the total state high school ANB amount~~  
 28 ~~used to calculate the elementary school districts' and high school districts' current year total per-ANB entitlement~~  
 29 ~~amounts;~~

30 ~~(ii) school facility entitlement purposes, means the sum of the taxable valuation in the previous year of~~

1 ~~all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total state~~  
 2 ~~elementary ANB count or the total state high school ANB amount used to calculate the elementary school~~  
 3 ~~districts' and high school districts' current year total per-ANB entitlement amounts."~~

4  
 5 **Section 114.** Section 20-9-404, MCA, is amended to read:

6 **"20-9-404. Contracts and bonds for joint construction.** The trustees of a school district may enter  
 7 into a contract with the trustees of any school district within the county or with any school district in an adjoining  
 8 county to provide for the joint construction of a facility upon terms and conditions mutually agreed upon between  
 9 the districts. The trustees of any district executing a contract in accordance with this section may, subject to  
 10 [section 1], levy taxes and issue bonds for the purpose of constructing the facilities authorized by this section."

11  
 12 ~~Section 121.~~ Section 20-9-438, MCA, is amended to read:

13 ~~"20-9-438. Preparation of debt service fund budget -- operating reserve.~~ (1) The trustees of each  
 14 school district having outstanding bonds shall include in the debt service fund of the final budget adopted in  
 15 accordance with 20-9-133 an amount of money that is necessary to pay the interest and the principal amount  
 16 becoming due during the ensuing school fiscal year for each series or installment of bonds, according to the terms  
 17 and conditions of the bonds and the redemption plans of the trustees:

18 ~~Subject to [section 1], the trustees shall also include in the debt service fund of the final budget:~~

19 ~~(a) the amount of money necessary to pay the special improvement district assessments levied against~~  
 20 ~~the school district that become due during the ensuing school fiscal year; and~~

21 ~~(b) a limited operating reserve for the school fiscal year following the ensuing school fiscal year as~~  
 22 ~~provided in subsection (3).~~

23 ~~(3) At the end of each school fiscal year, the trustees of a school district may designate a portion of the~~  
 24 ~~end-of-the-year fund balance of the debt service fund to be earmarked as a limited operating reserve for the~~  
 25 ~~purpose of paying, whenever a cash flow shortage occurs, debt service fund warrants and bond obligations that~~  
 26 ~~must be paid from July 1 through November 30 of the school fiscal year following the ensuing school fiscal year.~~  
 27 ~~Any portion of the debt service fund end-of-the-year fund balance not earmarked for limited operating reserve~~  
 28 ~~purposes must be reappropriated to be used for property tax reduction as provided in 20-9-439.~~

29 ~~(4) The county superintendent shall compare the final budgeted amount for the debt service fund with~~  
 30 ~~the bond retirement and interest requirement and the special improvement district assessments for the school~~

1 fiscal year just beginning as reported by the county treasurer in the statement supplied under the provisions of  
 2 20-9-121. If the county superintendent finds that the requirement stated by the county treasurer is more than the  
 3 final budget amount, the county superintendent shall increase the budgeted amount for interest or principal in the  
 4 debt service fund of the final budget. The amount confirmed or revised by the county superintendent is the final  
 5 budget expenditure amount for the debt service fund of the school district."

6  
 7 ~~Section 176.~~ Section 20-9-501, MCA, is amended to read:

8 ~~"20-9-501. Retirement fund.~~ (1) The trustees of a district employing personnel who are members of the  
 9 teachers' retirement system or the public employees' retirement system or who are covered by unemployment  
 10 insurance or who are covered by any federal social security system requiring employer contributions shall  
 11 establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems.  
 12 The district's contribution for each employee who is a member of the teachers' retirement system must be  
 13 calculated in accordance with Title 19, chapter 20, part 6. The district's contribution for each employee who is a  
 14 member of the public employees' retirement system must be calculated in accordance with 19-3-316. The  
 15 district's contributions for each employee covered by any federal social security system must be paid in  
 16 accordance with federal law and regulation. The district's contribution for each employee who is covered by  
 17 unemployment insurance must be paid in accordance with Title 39, chapter 51, part 11.

18 ~~(2)~~ The trustees of a district required to make a contribution to a system referred to in subsection (1) shall  
 19 include in the retirement fund of the final budget the estimated amount of the employer's contribution. After the  
 20 final retirement fund budget has been adopted, the trustees shall pay the employer contributions to the systems  
 21 in accordance with the financial administration provisions of this title.

22 ~~(3)~~ When the final retirement fund budget has been adopted, the county superintendent shall, subject  
 23 to [section 1], establish the levy requirement by:

24 ~~(a)~~ determining the sum of the money available to reduce the retirement fund levy requirement by adding:

25 ~~(i)~~ any anticipated money that may be realized in the retirement fund during the ensuing school fiscal  
 26 year, including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-504,  
 27 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;

28 ~~(ii)~~ oil and natural gas production taxes;

29 ~~(iii)~~ anticipated local government severance tax payments for calendar year 1995 production as provided  
 30 in 15-36-325;

- 1 ~~———(iv) coal gross proceeds taxes under 15-23-703;~~
- 2 ~~———(v) any fund balance available for reappropriation as determined by subtracting the amount of the~~  
3 ~~end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school fiscal~~  
4 ~~year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement fund operating~~  
5 ~~reserve may not be more than 35% of the final retirement fund budget for the ensuing school fiscal year and must~~  
6 ~~be used for the purpose of paying retirement fund warrants issued by the district under the final retirement fund~~  
7 ~~budget.~~
- 8 ~~———(vi) any other revenue anticipated that may be realized in the retirement fund during the ensuing school~~  
9 ~~fiscal year, excluding any guaranteed tax base aid.;~~
- 10 ~~———(b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction of the~~  
11 ~~levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures in the final~~  
12 ~~retirement fund budget.~~
- 13 ~~———(4) The county superintendent shall:~~
- 14 ~~———(a) total the net retirement fund levy requirements separately for all elementary school districts, all high~~  
15 ~~school districts, and all community college districts of the county, including any prorated joint district or special~~  
16 ~~education cooperative agreement levy requirements; and~~
- 17 ~~———(b) report each levy requirement to the county commissioners on the fourth Monday of August as the~~  
18 ~~respective county levy requirements for elementary district, high school district, and community college district~~  
19 ~~retirement funds.~~
- 20 ~~———(5) The Subject to [section 1], the county commissioners shall fix and set the county levy in accordance~~  
21 ~~with 20-9-142.~~
- 22 ~~———(6) The net retirement fund levy requirement for a joint elementary district or a joint high school district~~  
23 ~~must be prorated to each county in which a part of the district is located in the same proportion as the district ANB~~  
24 ~~of the joint district is distributed by pupil residence in each county. The county superintendents of the counties~~  
25 ~~affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.~~
- 26 ~~———(7) The Subject to [section 1], the net retirement fund levy requirement for districts that are members of~~  
27 ~~special education cooperative agreements must be prorated to each county in which the district is located in the~~  
28 ~~same proportion as the special education cooperative budget is prorated to the member school districts. The~~  
29 ~~county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement~~  
30 ~~for each county in the same manner as provided in 20-9-151, and subject to [section 1], the county~~

1 commissioners shall fix and levy the net retirement fund levy for each county in the same manner as provided  
 2 in 20-9-152:

3 ~~—— (8) The Subject to [section 1], the county superintendent shall calculate the number of mills to be levied  
 4 on the taxable property in the county to finance the retirement fund net levy requirement by dividing the amount  
 5 determined in subsection (4)(a) by the sum of:~~

6 ~~—— (a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as certified  
 7 by the superintendent of public instruction; and~~

8 ~~—— (b) the taxable valuation of the district divided by 1,000."~~

9

10 ~~—— **Section 177.** Section 20-10-144, MCA, is amended to read:~~

11 ~~—— **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund**  
 12 **budget.** Before the second Monday of August, the county superintendent shall compute the revenue available  
 13 to finance the transportation fund budget of each district. The county superintendent shall compute the revenue  
 14 for each district on the following basis:~~

15 ~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in  
 16 20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

17 ~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained  
 18 by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate per bus mile by  
 19 the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the  
 20 county transportation committee and maintained by the district); plus~~

21 ~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as determined  
 22 from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the  
 23 ensuing school attendance year; plus~~

24 ~~—— (c) any estimated costs for supervised home study or supervised correspondence study for the ensuing  
 25 school fiscal year; plus~~

26 ~~—— (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the  
 27 amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the  
 28 contingency amount on the budget must be reduced to the limitation amount and used in this determination of  
 29 the schedule amount; plus~~

30 ~~—— (e) any estimated costs for transporting a child out of district when the child has mandatory approval to~~

- 1 ~~attend school in a district outside the district of residence.~~
- 2 ~~———(2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,~~  
3 ~~whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be~~  
4 ~~budgeted on the following basis:~~
- 5 ~~———(i) one-half is the budgeted state transportation reimbursement, except that the state transportation~~  
6 ~~reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be 50%~~  
7 ~~of the schedule amount attributed to the transportation of special education pupils; and~~
- 8 ~~———(ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the~~  
9 ~~manner provided in 20-10-146.~~
- 10 ~~———(b) When the district has a sufficient amount of fund balance for reappropriation and other sources of~~  
11 ~~district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any~~  
12 ~~remaining amount of district revenue and fund balance reappropriated must be used to reduce the county~~  
13 ~~financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce~~  
14 ~~the state financial obligation in subsection (2)(a)(i).~~
- 15 ~~———(c) The county revenue requirement for a joint district, after the application of any district money under~~  
16 ~~subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the~~  
17 ~~ANB of the joint district is distributed by pupil residence in each county.~~
- 18 ~~———(3) The total of the money available for the reduction of property tax on the district for the transportation~~  
19 ~~fund must be determined by totaling:~~
- 20 ~~———(a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other~~  
21 ~~anticipated federal money received in lieu of that federal act;~~
- 22 ~~———(b) anticipated payments from other districts for providing school bus transportation services for the~~  
23 ~~district;~~
- 24 ~~———(c) anticipated payments from a parent or guardian for providing school bus transportation services for~~  
25 ~~a child;~~
- 26 ~~———(d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in~~  
27 ~~accordance with the provisions of 20-9-213(4);~~
- 28 ~~———(e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
29 ~~23-2-803, 61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~
- 30 ~~———(f) anticipated revenue from coal gross proceeds under 15-23-703;~~



- 1       ~~—— (g) anticipated oil and natural gas production taxes;~~
- 2       ~~—— (h) anticipated local government severance tax payments for calendar year 1995 production;~~
- 3       ~~—— (i) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through~~  
4       ~~20-5-324;~~
- 5       ~~—— (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that~~  
6       ~~may be used to finance the transportation fund; and~~
- 7       ~~—— (k) any fund balance available for reappropriation as determined by subtracting the amount of the~~  
8       ~~end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal~~  
9       ~~year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may~~  
10       ~~not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the~~  
11       ~~purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.~~
- 12       ~~—— (4) The Subject to [section 1], the district levy requirement for each district's transportation fund must~~  
13       ~~be computed by:~~
- 14       ~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation~~  
15       ~~budget amount; and~~
- 16       ~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as determined~~  
17       ~~in subsection (3), from the amount determined in subsection (4)(a).~~
- 18       ~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must be~~  
19       ~~reported to the county commissioners on the fourth Monday of August by the county superintendent as the~~  
20       ~~transportation fund levy requirements for the district, and subject to [section 1], the levy must be made by the~~  
21       ~~county commissioners in accordance with 20-9-142."~~
- 22
- 23       ~~—— **Section 178.** Section 20-10-146, MCA, is amended to read:~~
- 24       ~~—— **"20-10-146. County transportation reimbursement.** (1) The apportionment of the county transportation~~  
25       ~~reimbursement by the county superintendent for school bus transportation or individual transportation that is~~  
26       ~~actually rendered by a district in accordance with this title, board of public education transportation policy, and~~  
27       ~~the transportation rules of the superintendent of public instruction must be the same as the state transportation~~  
28       ~~reimbursement payment, except that:~~
- 29       ~~—— (a) if any cash was used to reduce the budgeted county transportation reimbursement under the~~  
30       ~~provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;~~

1 ~~——— (b) when the county transportation reimbursement for a school bus has been prorated between two or~~  
2 ~~more counties because the school bus is conveying pupils of more than one district located in the counties, the~~  
3 ~~apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under~~  
4 ~~the proration; and~~

5 ~~——— (c) when county transportation reimbursement is required under the mandatory attendance agreement~~  
6 ~~provisions of 20-5-321.~~

7 ~~——— (2) The Subject to [section 1], the county transportation net levy requirement for the financing of the~~  
8 ~~county transportation fund reimbursements to districts is computed by:~~

9 ~~——— (a) totaling the net requirement for all districts of the county, including reimbursements to a special~~  
10 ~~education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory~~  
11 ~~attendance agreement provisions of 20-5-321;~~

12 ~~——— (b) determining the sum of the money available to reduce the county transportation net levy requirement~~  
13 ~~by adding:~~

14 ~~——— (i) anticipated money that may be realized in the county transportation fund during the ensuing school~~  
15 ~~fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803,~~  
16 ~~61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

17 ~~——— (ii) oil and natural gas production taxes;~~

18 ~~——— (iii) anticipated local government severance tax payments for calendar year 1995 production;~~

19 ~~——— (iv) coal gross proceeds taxes under 15-23-703;~~

20 ~~——— (v) any fund balance available for reappropriation from the end-of-the-year fund balance in the county~~  
21 ~~transportation fund;~~

22 ~~——— (vi) federal forest reserve funds allocated under the provisions of 17-3-213; and~~

23 ~~——— (vii) other revenue anticipated that may be realized in the county transportation fund during the ensuing~~  
24 ~~school fiscal year; and~~

25 ~~——— (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy requirement~~  
26 ~~from the county transportation net levy requirement.~~

27 ~~——— (3) The net levy requirement determined in subsection (2)(c) must be reported to the county~~  
28 ~~commissioners on the fourth Monday of August by the county superintendent, and subject to [section 1], a levy~~  
29 ~~must be set by the county commissioners in accordance with 20-9-142.~~

30 ~~——— (4) The county superintendent shall apportion the county transportation reimbursement from the~~

1 proceeds of the county transportation fund. The county superintendent shall order the county treasurer to make  
 2 the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state transportation  
 3 reimbursement payments."

4  
 5 ~~SECTION 122. SECTION 20-10-144, MCA, IS AMENDED TO READ:~~

6 ~~"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund~~  
 7 ~~budget. Before the second Monday of August, the county superintendent shall compute the revenue available~~  
 8 ~~to finance the transportation fund budget of each district. The county superintendent shall compute the revenue~~  
 9 ~~for each district on the following basis:~~

10 ~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in~~  
 11 ~~20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

12 ~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained~~  
 13 ~~by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate per bus mile by~~  
 14 ~~the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the~~  
 15 ~~county transportation committee and maintained by the district); plus~~

16 ~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as determined~~  
 17 ~~from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the~~  
 18 ~~ensuing school attendance year; plus~~

19 ~~—— (c) any estimated costs for supervised home study or supervised correspondence study for the ensuing~~  
 20 ~~school fiscal year; plus~~

21 ~~—— (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the~~  
 22 ~~amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the~~  
 23 ~~contingency amount on the budget must be reduced to the limitation amount and used in this determination of~~  
 24 ~~the schedule amount; plus~~

25 ~~—— (e) any estimated costs for transporting a child out of district when the child has mandatory approval to~~  
 26 ~~attend school in a district outside the district of residence.~~

27 ~~—— (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,~~  
 28 ~~whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be~~  
 29 ~~budgeted on the following basis:~~

30 ~~—— (i) one-half 51% is the budgeted state transportation reimbursement, except that the state transportation~~

1 reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be 50%  
2 of the schedule amount attributed to the transportation of special education pupils; and

3 ~~———— (ii) one-half the percentage remaining after the percentage determined under subsection (2)(a)(i) is the~~  
4 ~~budgeted county transportation fund reimbursement and must be financed in the manner provided in 20-10-146.~~

5 ~~———— (b) When the district has a sufficient amount of fund balance for reappropriation and other sources of~~  
6 ~~district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any~~  
7 ~~remaining amount of district revenue and fund balance reappropriated must be used to reduce the county~~  
8 ~~financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce~~  
9 ~~the state financial obligation in subsection (2)(a)(i):~~

10 ~~———— (c) The county revenue requirement for a joint district, after the application of any district money under~~  
11 ~~subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the~~  
12 ~~ANB of the joint district is distributed by pupil residence in each county:~~

13 ~~———— (3) The total of the money available for the reduction of property tax on the district for the transportation~~  
14 ~~fund must be determined by totaling:~~

15 ~~———— (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other~~  
16 ~~anticipated federal money received in lieu of that federal act;~~

17 ~~———— (b) anticipated payments from other districts for providing school bus transportation services for the~~  
18 ~~district;~~

19 ~~———— (c) anticipated payments from a parent or guardian for providing school bus transportation services for~~  
20 ~~a child;~~

21 ~~———— (d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in~~  
22 ~~accordance with the provisions of 20-9-213(4);~~

23 ~~———— (e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
24 ~~23-2-803, 61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

25 ~~———— (f) anticipated revenue from coal gross proceeds under 15-23-703;~~

26 ~~———— (g) anticipated oil and natural gas production taxes;~~

27 ~~———— (h) anticipated local government severance tax payments for calendar year 1995 production;~~

28 ~~———— (i) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through~~  
29 ~~20-5-324;~~

30 ~~———— (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that~~

1 may be used to finance the transportation fund; and

2 ~~—— (k) any fund balance available for reappropriation as determined by subtracting the amount of the~~  
 3 ~~end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal~~  
 4 ~~year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may~~  
 5 ~~not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the~~  
 6 ~~purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.~~

7 ~~—— (4) The district levy requirement for each district's transportation fund must be computed by:~~

8 ~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation~~  
 9 ~~budget amount; and~~

10 ~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as determined~~  
 11 ~~in subsection (3), from the amount determined in subsection (4)(a).~~

12 ~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must be~~  
 13 ~~reported to the county commissioners on the fourth Monday of August by the county superintendent as the~~  
 14 ~~transportation fund levy requirements for the district, and the levy must be made by the county commissioners~~  
 15 ~~in accordance with 20-9-142."~~

16  
 17 ~~—— **SECTION 123. SECTION 20-10-144, MCA, IS AMENDED TO READ:**~~

18 ~~—— **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund**~~  
 19 ~~**budget.** Before the second Monday of August, the county superintendent shall compute the revenue available~~  
 20 ~~to finance the transportation fund budget of each district. The county superintendent shall compute the revenue~~  
 21 ~~for each district on the following basis:~~

22 ~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in~~  
 23 ~~20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

24 ~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained~~  
 25 ~~by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate per bus mile by~~  
 26 ~~the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the~~  
 27 ~~county transportation committee and maintained by the district); plus~~

28 ~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as determined~~  
 29 ~~from the contracts submitted by the district multiplied by the number of pupil-instruction days scheduled for the~~  
 30 ~~ensuing school attendance year; plus~~

1 ~~———(c) any estimated costs for supervised home study or supervised correspondence study for the ensuing~~  
2 ~~school fiscal year; plus~~

3 ~~———(d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143, except if the~~  
4 ~~amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever is larger, the~~  
5 ~~contingency amount on the budget must be reduced to the limitation amount and used in this determination of~~  
6 ~~the schedule amount; plus~~

7 ~~———(e) any estimated costs for transporting a child out of district when the child has mandatory approval to~~  
8 ~~attend school in a district outside the district of residence.~~

9 ~~———(2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,~~  
10 ~~whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to be~~  
11 ~~budgeted on the following basis:~~

12 ~~———(i) one-half 54% is the budgeted state transportation reimbursement, except that the state transportation~~  
13 ~~reimbursement for the transportation of special education pupils under the provisions of 20-7-442 must be 50%~~  
14 ~~of the schedule amount attributed to the transportation of special education pupils; and~~

15 ~~———(ii) one-half the percentage remaining after the percentage determined under subsection (2)(a)(i) is the~~  
16 ~~budgeted county transportation fund reimbursement and must be financed in the manner provided in 20-10-146.~~

17 ~~———(b) When the district has a sufficient amount of fund balance for reappropriation and other sources of~~  
18 ~~district revenue, as determined in subsection (3), to reduce the total district obligation for financing to zero, any~~  
19 ~~remaining amount of district revenue and fund balance reappropriated must be used to reduce the county~~  
20 ~~financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced to zero, to reduce~~  
21 ~~the state financial obligation in subsection (2)(a)(i):~~

22 ~~———(c) The county revenue requirement for a joint district, after the application of any district money under~~  
23 ~~subsection (2)(b), must be prorated to each county incorporated by the joint district in the same proportion as the~~  
24 ~~ANB of the joint district is distributed by pupil residence in each county:~~

25 ~~———(3) The total of the money available for the reduction of property tax on the district for the transportation~~  
26 ~~fund must be determined by totaling:~~

27 ~~———(a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other~~  
28 ~~anticipated federal money received in lieu of that federal act;~~

29 ~~———(b) anticipated payments from other districts for providing school bus transportation services for the~~  
30 ~~district;~~

1 ~~—— (c) anticipated payments from a parent or guardian for providing school bus transportation services for~~  
 2 ~~a child;~~

3 ~~—— (d) anticipated or reappropriated interest to be earned by the investment of transportation fund cash in~~  
 4 ~~accordance with the provisions of 20-9-213(4);~~

5 ~~—— (e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
 6 ~~23-2-803, 61-3-504, 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 67-3-204;~~

7 ~~—— (f) anticipated revenue from coal gross proceeds under 15-23-703;~~

8 ~~—— (g) anticipated oil and natural gas production taxes;~~

9 ~~—— (h) anticipated local government severance tax payments for calendar year 1995 production;~~

10 ~~—— (i) anticipated transportation payments for out-of-district pupils under the provisions of 20-5-320 through~~  
 11 ~~20-5-324;~~

12 ~~—— (j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that~~  
 13 ~~may be used to finance the transportation fund; and~~

14 ~~—— (k) any fund balance available for reappropriation as determined by subtracting the amount of the~~  
 15 ~~end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal~~  
 16 ~~year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may~~  
 17 ~~not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the~~  
 18 ~~purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.~~

19 ~~—— (4) The district levy requirement for each district's transportation fund must be computed by:~~

20 ~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation~~  
 21 ~~budget amount; and~~

22 ~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as determined~~  
 23 ~~in subsection (3), from the amount determined in subsection (4)(a).~~

24 ~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must be~~  
 25 ~~reported to the county commissioners on the fourth Monday of August by the county superintendent as the~~  
 26 ~~transportation fund levy requirements for the district, and the levy must be made by the county commissioners~~  
 27 ~~in accordance with 20-9-142."~~

28

29 ~~—— **SECTION 124. SECTION 20-10-145, MCA, IS AMENDED TO READ:**~~

30 ~~—— **"20-10-145. State transportation reimbursement.** (1) A district providing school bus transportation or~~

1 individual transportation in accordance with this title, board of public education transportation policy, and  
 2 superintendent of public instruction transportation rules must receive a state reimbursement of its transportation  
 3 expenditures under the transportation reimbursement rate provisions of 20-10-141 and 20-10-142. The state  
 4 transportation reimbursement is one-half 51% of the reimbursement amounts established in 20-10-141 and  
 5 20-10-142 or one-half 51% of the district's transportation fund budget, whichever is smaller, and must be  
 6 computed on the basis of the number of days the transportation services were actually rendered, not to exceed  
 7 180 pupil-instruction days. In determining the amount of the state transportation reimbursement, an amount  
 8 claimed by a district may not be considered for reimbursement unless the amount has been paid in the regular  
 9 manner provided for the payment of other financial obligations of the district.

10 ~~———(2) Requests for the state transportation reimbursement must be made by each district semiannually~~  
 11 ~~during the school fiscal year on the claim forms and procedure promulgated by the superintendent of public~~  
 12 ~~instruction. The claims for state transportation reimbursements must be routed by the district to the county~~  
 13 ~~superintendent, who after reviewing the claims shall send them to the superintendent of public instruction. The~~  
 14 ~~superintendent of public instruction shall establish the validity and accuracy of the claims for the state~~  
 15 ~~transportation reimbursements by determining compliance with this title, board of public education transportation~~  
 16 ~~policy, and the transportation rules of the superintendent of public instruction. After making any necessary~~  
 17 ~~adjustments to the claims, the superintendent of public instruction shall order a disbursement from the state~~  
 18 ~~money appropriated by the legislature of the state of Montana for the state transportation reimbursement. The~~  
 19 ~~payment of all the district's claims within one county must be made to the county treasurer of the county, and the~~  
 20 ~~county superintendent shall apportion the payment in accordance with the apportionment order supplied by the~~  
 21 ~~superintendent of public instruction."~~

22  
 23 ~~———~~ **SECTION 125.** SECTION 20-10-145, MCA, IS AMENDED TO READ:

24 ~~———~~ **"20-10-145. State transportation reimbursement.** (1) A district providing school bus transportation or  
 25 individual transportation in accordance with this title, board of public education transportation policy, and  
 26 superintendent of public instruction transportation rules must receive a state reimbursement of its transportation  
 27 expenditures under the transportation reimbursement rate provisions of 20-10-141 and 20-10-142. The state  
 28 transportation reimbursement is one-half 54% of the reimbursement amounts established in 20-10-141 and  
 29 20-10-142 or one-half 54% of the district's transportation fund budget, whichever is smaller, and must be  
 30 computed on the basis of the number of days the transportation services were actually rendered, not to exceed



1 180 pupil-instruction days. In determining the amount of the state transportation reimbursement, an amount  
2 claimed by a district may not be considered for reimbursement unless the amount has been paid in the regular  
3 manner provided for the payment of other financial obligations of the district.

4 ~~———(2) Requests for the state transportation reimbursement must be made by each district semiannually~~  
5 ~~during the school fiscal year on the claim forms and procedure promulgated by the superintendent of public~~  
6 ~~instruction. The claims for state transportation reimbursements must be routed by the district to the county~~  
7 ~~superintendent, who after reviewing the claims shall send them to the superintendent of public instruction. The~~  
8 ~~superintendent of public instruction shall establish the validity and accuracy of the claims for the state~~  
9 ~~transportation reimbursements by determining compliance with this title, board of public education transportation~~  
10 ~~policy, and the transportation rules of the superintendent of public instruction. After making any necessary~~  
11 ~~adjustments to the claims, the superintendent of public instruction shall order a disbursement from the state~~  
12 ~~money appropriated by the legislature of the state of Montana for the state transportation reimbursement. The~~  
13 ~~payment of all the district's claims within one county must be made to the county treasurer of the county, and the~~  
14 ~~county superintendent shall apportion the payment in accordance with the apportionment order supplied by the~~  
15 ~~superintendent of public instruction."~~

16  
17 **Section 115.** Section 20-10-147, MCA, is amended to read:

18 **"20-10-147. Bus depreciation reserve.** (1) The trustees of a district owning a bus or a two-way radio  
19 used for purposes of transportation, as defined in 20-10-101, or for purposes of conveying pupils to and from  
20 school functions or activities may establish a bus depreciation reserve fund to be used for the conversion,  
21 remodeling, or rebuilding of a bus or for the replacement of a bus or radio.

22 (2) Whenever a bus depreciation reserve fund is established, the trustees may include in the district's  
23 budget, in accordance with the school budgeting provisions of this title, an amount each year that does not  
24 exceed 20% of the original cost of a bus or a two-way radio. The amount budgeted may not, over time, exceed  
25 150% of the original cost of a bus or two-way radio. The annual revenue requirement for each district's bus  
26 depreciation reserve fund, determined within the limitations of this section, must be reported by the county  
27 superintendent to the county commissioners on the fourth Monday of August as the bus depreciation reserve fund  
28 levy requirement for that district, and subject to [section 1], a levy must be made by the county commissioners  
29 in accordance with 20-9-142.

30 (3) Any expenditure of bus depreciation reserve fund money must be within the limitations of the district's

1 final bus depreciation reserve fund budget and the school financial administration provisions of this title and may  
 2 be made only to convert, remodel, or rebuild buses or to replace the buses or radios for which the bus  
 3 depreciation reserve fund was created.

4 (4) Whenever the trustees of a district maintaining a bus depreciation reserve fund sell all of the district's  
 5 buses and consider it to be in the best interest of the district to transfer any portion or all of the bus depreciation  
 6 reserve fund balance to any other fund maintained by the district, the trustees shall submit the proposition to the  
 7 electors of the district. The electors qualified to vote at the election shall qualify under 20-20-301, and the election  
 8 must be called and conducted in the manner prescribed by this title for school elections. If a majority of those  
 9 electors voting at the election approve the proposed transfer from the bus depreciation reserve fund, the transfer  
 10 is approved and the trustees shall immediately order the county treasurer to make the approved transfer."  
 11

12 **Section 116.** Section 20-15-305, MCA, is amended to read:

13 **"20-15-305. Adult education tax levy.** A community college ~~shall be~~ is considered a district for the  
 14 purposes of adult education and under the provisions for adult education may, subject to [section 1], levy a 1-mill  
 15 tax for the support of its adult education program when the superintendent of public instruction approves ~~such~~  
 16 the program."  
 17

18 **Section 117.** Section 20-15-311, MCA, is amended to read:

19 **"20-15-311. Funding sources.** The annual operating budget of a community college district ~~shall~~ must  
 20 be financed from the following sources:

21 (1) the estimated ~~revenues~~ revenue to be realized from student tuition and fees, except ~~those~~ revenue  
 22 related to community service courses as defined by the board of regents;

23 (2) subject to [section 1], a mandatory mill levy on the community college district;

24 (3) subject to [section 1], the 1-mill adult education levy authorized under provisions of 20-15-305;

25 (4) the state general fund appropriation;

26 (5) an optional voted levy on the community college district that ~~shall~~ must be submitted to the electorate  
 27 in accordance with general school election laws;

28 (6) all other income, revenue, balances, or reserves not restricted by a source outside the community  
 29 college district to a specific purpose;

30 (7) income, revenue, balances, or reserves restricted by a source outside the community college district

1 to a specific purpose. Student fees paid for community service courses as defined by the board of regents shall  
 2 ~~be~~ are considered restricted to a specific purpose;

3 (8) income from a political subdivision that is designated a community college service region under  
 4 20-15-241."

5

6 **Section 118.** Section 20-15-313, MCA, is amended to read:

7 **"20-15-313. Tax levy.** On the second Monday in August, the board of county commissioners of any  
 8 county where a community college district is located shall, subject to [section 1], fix and levy a tax on all the real  
 9 and personal property within the community college district at the rate required to finance the mandatory mill levy  
 10 prescribed by ~~subsection (1)(b) of 20-15-312(1)(b)~~ and the voted levy prescribed by ~~subsection (5) of~~  
 11 ~~20-15-311(5)~~ if one has been approved by the voters. When a community college district has territory in more  
 12 than one county, the board of county commissioners in each county shall fix and levy the community college  
 13 district tax on all the real and personal property of the community college district situated in its county."

14

15 **Section 119.** Section 20-15-314, MCA, is amended to read:

16 **"20-15-314. Tax levy for community college service region.** ~~A~~ Subject to [section 1], a governing body  
 17 designating a community college service region as provided in 20-15-241 may levy a tax on all real and personal  
 18 property within the region at a rate required to finance the services offered by a community college district for the  
 19 region. The levy is in addition to any other levies allowed by law and is not subject to any statutory or charter  
 20 limitations on levies other than [section 1]. The levy must be made at the same time and in the same manner as  
 21 the general levy of the political subdivision designating the region is made, and the ~~revenues~~ revenue generated  
 22 ~~thereby~~ must be collected at the same time and in the same manner. Within 30 days of collection, the appropriate  
 23 ~~revenues~~ revenue must be transmitted to the participating community college district."

24

25 **Section 120.** Section 20-15-326, MCA, is amended to read:

26 **"20-15-326. Determination of available financing -- fixing and levying property taxation for**  
 27 **emergency budget.** (1) After the last day of the fiscal year for which an emergency budget has been adopted,  
 28 the board of trustees shall determine the amount of the cash balance that is available to finance the emergency  
 29 budget's outstanding warrants or registered warrants for each fund included on the emergency budget. The  
 30 available amount of the cash balance of each fund must be determined by deducting from the county treasurer's

1 yearend cash balance for the fund the outstanding warrants or registered warrants issued under the regularly  
2 adopted final budget for the fund and the cash reserve for the fund that the trustees have established, within the  
3 limitations of law, for the following fiscal year.

4 (2) The county treasurer shall prepare and deliver a statement on the financial cash status of each fund  
5 included on an emergency budget for a district that had an emergency budget during the preceding year to the  
6 board of county commissioners by the first Monday in August. The statement for each district emergency budget  
7 must include:

8 (a) the total amount of emergency warrants that are registered against each fund of the district; and

9 (b) the additional amount of money that is required to finance the registered warrants and interest on the  
10 warrants and that must be raised by a tax levy.

11 (3) For each fund of the emergency budget of each district requiring a tax levy as established by  
12 subsection (2)(b), the board of county commissioners shall, subject to [section 1] and at the time all other district  
13 and county taxes are fixed and levied, levy a tax on the taxable property of each applicable district that will raise  
14 sufficient financing to pay the amount established by the county treasurer."  
15

16 **Section 121.** Section 20-25-423, MCA, is amended to read:

17 **"20-25-423. State tax levy -- support of public education institutions.** ~~The~~ Subject to [section 1], the  
18 legislature shall levy a property tax of not more than 6 mills on the taxable value of all real and personal property  
19 each year for 10 years beginning with the year 1999. All revenue from this property tax levy must be appropriated  
20 for the support, maintenance, and improvement of the Montana university system."  
21

22 **Section 122.** Section 20-25-439, MCA, is amended to read:

23 **"20-25-439. Vocational-technical education -- mill levy required.** (1) ~~The~~ Subject to [section 1], the  
24 boards of county commissioners of Cascade, Lewis and Clark, Missoula, Silver Bow, and Yellowstone Counties  
25 shall in each calendar year levy a tax of 1 1/2 mills on the dollar value of all taxable property, real and personal,  
26 located within the respective county.

27 (2) The funds from the mill levy must be deposited in the general fund and must be distributed for  
28 vocational-technical education on the basis of budgets approved by the board of regents."  
29

30 **Section 123.** Section 22-1-304, MCA, is amended to read:

1           **"22-1-304. Tax levy -- special library fund -- bonds.** (1) ~~The~~ Subject to [section 1], the governing body  
 2 of any city or county ~~which that~~ has established a public library may levy in the same manner and at the same  
 3 time as other taxes are levied a special tax in the amount necessary to maintain adequate public library service,  
 4 not to exceed 5 mills on the dollar, upon all property in ~~such the~~ county ~~which that~~ may be levied by the governing  
 5 body of ~~such the~~ county and not to exceed 7 mills on the dollar upon all property in ~~such the~~ city ~~which that~~ may  
 6 be levied by the governing body of ~~such the~~ city.

7           (2) (a) The governing body of any city or county may by resolution submit the question of exceeding the  
 8 maximum tax levy provided in subsection (1) to a vote of the qualified electors ~~thereof~~ at the next ~~general~~  
 9 appropriate election. ~~Such The~~ resolution must be adopted at least 75 days prior to the ~~general~~ election at which  
 10 the question will be voted on.

11           (b) Upon a petition being filed with the governing body and signed by not less than 5% of the resident  
 12 taxpayers of any city or county requesting an election for the purpose of exceeding the maximum mill levy, the  
 13 governing body shall submit to a vote of the qualified electors ~~thereof~~ at the next ~~general~~ election the question  
 14 of exceeding the maximum mill levy. ~~Such The~~ petition must be delivered to the governing body at least 90 days  
 15 prior to the ~~general~~ election at which the question will be voted on.

16           (c) The question ~~shall must~~ be submitted by ballots upon which the words "FOR exceeding the ... mill  
 17 maximum levy and authorizing an additional ... mill(s) for the library" and "AGAINST exceeding the ... mill  
 18 maximum library levy" ~~shall~~ appear, with a square before each proposition and a direction to insert an "X" mark  
 19 in the square before one or the other of the propositions.

20           (d) The votes cast for the adoption or rejection of the question must be canvassed, and:

21           (i) if a majority of the voters voting on the question vote to exceed the maximum mill levy, the governing  
 22 body shall levy the additional tax for the year in which the vote was taken; or

23           (ii) if a majority of the voters voting on the question vote to not exceed the maximum mill levy, the  
 24 maximum mill levy may not be exceeded.

25           (3) The municipal tax authorized in this section is in addition to all other taxes authorized by law and is  
 26 not within the all-purpose mill levy established by 7-6-4451 through 7-6-4453.

27           (4) The proceeds of ~~such the~~ tax ~~shall~~ constitute a separate fund called the public library fund and ~~shall~~  
 28 may not be used for any purpose except those of the public library.

29           (5) ~~No money shall~~ Money may not be paid out of the public library fund by the treasurer of the city or  
 30 county except by order or warrant of the board of library trustees.

1 (6) Bonds may be issued by the governing body in the manner prescribed by law for the erection and  
 2 equipment of public library buildings and the purchase of land ~~therefor~~ for public library buildings."

3  
 4 **Section 124.** Section 22-1-316, MCA, is amended to read:

5 **"22-1-316. Joint city-county library.** (1) A county and any city or cities within the county, by action of  
 6 their respective governing bodies, may join in establishing and maintaining a joint city-county library under the  
 7 terms of a contract agreed upon by all parties.

8 (2) The expenses of a joint city-county library ~~shall~~ must be apportioned between or among the county  
 9 and cities on ~~such a~~ the basis ~~as shall be~~ agreed upon in the contract.

10 (3) ~~The~~ Subject to [section 1], the governing body of any city or county entering into a contract may levy  
 11 a special tax as provided in 22-1-304 for the establishment and operation of a joint city-county library.

12 (4) The treasurer of the county or of a participating city within the county, as ~~shall be~~ provided in the  
 13 contract, ~~shall have~~ has custody of the funds of the joint city-county library, and the other treasurers of the county  
 14 or cities joining in the contract shall transfer quarterly to ~~him~~ the designated treasurer all ~~moneys~~ money collected  
 15 for the joint city-county library.

16 (5) The contract ~~shall~~ must provide for the disposition of property upon dissolution of the joint city-county  
 17 library."

18  
 19 **Section 125.** Section 23-4-303, MCA, is amended to read:

20 **"23-4-303. Licensee's right to withhold deposits.** ~~In the event any~~ Subject to [section 1], if a  
 21 government or governmental agency imposes a levy on a licensee by a special tax on the money ~~so~~ deposited  
 22 under the parimutuel system or upon or against ~~his~~ a licensee's receipts ~~therefrom~~, the ~~said~~ licensee may  
 23 withhold in addition to the ~~aforesaid~~ percent and breakage provided for in 23-4-302 the amount of the tax ~~so~~  
 24 levied."

25  
 26 **Section 126.** Section 41-5-1804, MCA, is amended to read:

27 **"41-5-1804. Regional detention facilities.** (1) Two or more counties may, by contract, establish and  
 28 maintain a regional detention facility.

29 (2) For the purpose of establishing and maintaining a regional detention facility, a county may:

30 (a) issue general obligation bonds for the acquisition, purchase, construction, renovation, and

1 maintenance of a regional detention facility;

2 (b) subject to [section 1], levy and appropriate taxes, as permitted by law, to pay its share of the cost of  
3 equipping, operating, and maintaining the facility; and

4 (c) exercise all powers, under the limitations prescribed by law, necessary and convenient to carry out  
5 the purposes of 41-5-1803 and this section.

6 (3) Contracts authorized under subsection (1) must be made pursuant to the Interlocal Cooperation Act,  
7 Title 7, chapter 11, part 1.

8 (4) Contracts between counties participating in a regional detention facility must:

9 (a) specify the responsibilities of each county participating in the agreement;

10 (b) designate responsibility for operation of the regional detention facility;

11 (c) specify the amount of funding to be contributed by each county toward payment of the cost of  
12 establishing, operating, and maintaining the regional detention facility, including the necessary expenditures for  
13 the transportation of youth to and from the facility;

14 (d) include the applicable per diem charge for the detention of youths in the facility, as well as the basis  
15 for any adjustment in the charge; and

16 (e) specify the number of beds to be reserved for the use of each county participating in the regional  
17 detention facility."

18

19 **Section 127.** Section 50-2-111, MCA, is amended to read:

20 **"50-2-111. City-county board appropriations.** If a city-county board is created, it is financed by one  
21 of the following methods:

22 (1) (a) The county commissioners and governing body of each participating city may mutually agree upon  
23 the division of expenses.

24 (b) The county's part of the total expenses is financed by an appropriation from the general fund of the  
25 county after approval of a budget in the way provided for other county offices and departments under Title 7,  
26 chapter 6, part 23.

27 (c) Each participating city's part of the total expenses is financed by an appropriation from the general  
28 fund of the city after approval of a budget in the way provided for other city offices and departments under Title  
29 7, chapter 6, part 42.

30 (d) All money must be deposited with the county treasurer who shall disburse the money as county

1 funds.

2 (2) (a) The county commissioners and governing body of each participating city may mutually agree upon  
3 the division of the expenses.

4 (b) ~~The~~ Subject to [section 1], the county's part of the total expenses is financed by a special levy of not  
5 more than 5 mills on the taxable valuation of all property outside the incorporated limits of each participating city  
6 after approval of a budget in the way provided for other county offices and departments under Title 7, chapter 6,  
7 part 23. If the 5-mill levy is not sufficient to fund the county's share, the county commissioners may supplement  
8 it with an appropriation from the county general fund.

9 (c) ~~Each~~ Subject to [section 1], each participating city's part of the total expenses is financed by a special  
10 levy of not more than 5 mills on the taxable valuation of all property within the incorporated limits of the city after  
11 approval of a budget in the way provided for other city offices and departments under Title 7, chapter 6, part 42.

12 (d) All money must be deposited with the county treasurer who shall disburse the money as county  
13 funds.

14 (e) The special levies authorized by this subsection are in addition to all other levies authorized by law."  
15

16 **Section 128.** Section 50-2-114, MCA, is amended to read:

17 **"50-2-114. Special mill levy.** ~~if~~ Subject to [section 1], if the general fund of a city or county is not  
18 sufficient to meet the approved budget, a levy of not more than 1 mill may be made on the taxable valuation of  
19 all property in the city or county in addition to all other levies authorized by law. This section does not apply when  
20 the board has been financed under 50-2-111(2)."  
21

22 **Section 129.** Section 53-2-322, MCA, is amended to read:

23 **"53-2-322. County to levy taxes, budget, and make expenditures for public assistance activities.**

24 (1) ~~The~~ Subject to [section 1], the board of county commissioners in each county shall levy 13.5 mills for the  
25 county poor fund as provided by law or so much of that amount as may be necessary. The board may levy up  
26 to an additional 12 mills if approved by the voters in the county. ~~A~~ Subject to [section 1], a county shall levy  
27 sufficient mills to reimburse the state for any administrative or operational costs in excess of the administrative  
28 and operational costs for the previous fiscal year. The department of public health and human services shall notify  
29 the counties of the number of mills required to be levied. Once an additional levy has been approved, the amount  
30 of the approved levy may continue to be levied without voter approval.



- 1 (2) The board shall budget and expend so much of the funds in the county poor fund for:
- 2 (a) public assistance as necessary to reimburse the department for the county's proportionate share of
- 3 the administrative costs and of all public assistance costs;
- 4 (b) salaries, travel expenses, and indirect costs, as provided in 52-1-110, of protective services
- 5 employees of the department; and
- 6 (c) the county's proportionate share of any other public assistance activity that may be carried on jointly
- 7 by the state and the county.
- 8 (3) The amounts set up in the budget for the reimbursements to the department must be sufficient to
- 9 make all of these reimbursements in full. The budget must make separate provision for each public assistance
- 10 activity and for salaries, travel expenses, and indirect costs for protective services activities of the department.
- 11 Proper accounts must be established for the funds for all the activities.
- 12 (4) The department shall submit to the counties, no later than May 10, the most current county
- 13 participation percentages that are necessary to establish preliminary county budgets. As soon as the county
- 14 proposed budget provided for in 7-6-2315 has been agreed upon, a copy must be mailed to the department, and
- 15 at any time before the final adoption of the budget, the department shall make recommendations with regard to
- 16 changes in any part of the budget relating to the county poor fund as considered necessary in order to enable
- 17 the county to discharge its obligations under the public assistance laws.
- 18 (5) The department shall promptly examine the county proposed budget in order to ascertain if the
- 19 amounts provided for reimbursements to the department are likely to be sufficient and shall notify the county clerk
- 20 of its findings. The board shall make changes in the amounts provided for reimbursements, if any are required,
- 21 in order that the county will be able to make the reimbursements in full.
- 22 (6) The board of county commissioners may not make any transfer from the amounts budgeted for
- 23 reimbursing the department without having first obtained a statement in writing from the department to the effect
- 24 that the amount to be transferred will not be required during the fiscal year for the purposes for which the amounts
- 25 were provided in the budget.
- 26 (7) The county poor fund, irrespective of the source of any part of the fund, may not be used directly or
- 27 indirectly for the erection or improvement of any county building ~~so~~ as long as the fund is needed for paying the
- 28 county's proportionate share of public assistance and protective services, as described in 52-1-110, or its
- 29 proportionate share of any other public assistance activity that may be carried on jointly by the state and the
- 30 county. Expenditures for improvement of any county buildings used directly for care of the poor, except a county

1 hospital or county nursing home, may be made out of money in the county poor fund, whether the money was  
 2 produced by the mill levy provided for in subsection (1) or from any additional levy authorized by law. The  
 3 expenditure may be authorized only when any county building used for the care of the poor must be improved  
 4 in order to meet legal standards required for the building by the department and when the expenditure has been  
 5 approved by the department.

6 (8) Money in the county poor fund may be used as matching funds for the receipt of federal money."  
 7

8 **Section 130.** Section 53-2-813, MCA, is amended to read:

9 **"53-2-813. Mill levy for counties transferring public assistance and protective services.** (1) For the  
 10 purpose of this part and subject to [section 1], 9 mills must be levied annually in those counties opting for state  
 11 assumption.

12 (2) For a county electing state assumption, the proceeds of the mill levy established in subsection (1)  
 13 must be deposited in the state special revenue fund in the state treasury to the credit of the department of public  
 14 health and human services."  
 15

16 **Section 131.** Section 53-20-208, MCA, is amended to read:

17 **"53-20-208. Contributions of counties and municipalities.** (1) The boards of county commissioners  
 18 of the several counties and the governing bodies of municipalities of this state may, in their discretion, contribute  
 19 to any developmental disabilities facility approved by the department, without regard to whether ~~they are the~~  
 20 facility is within or outside of their respective jurisdictions. ~~The Subject to [section 1], the~~ boards of county  
 21 commissioners of the counties may levy a tax up to but not to exceed 1 mill on each dollar of taxable property  
 22 within the county, ~~which shall be~~ The tax is in addition to all other county tax levies. All proceeds of the tax, if  
 23 levied, ~~shall must~~ be used for the sole purpose of support of developmental disabilities services.

24 (2) For the purpose of carrying out the provisions of this section, boards of county commissioners and  
 25 governing bodies of municipalities may appropriate out of the general fund of their respective counties or  
 26 municipalities."  
 27

28 **Section 132.** Section 67-10-402, MCA, is amended to read:

29 **"67-10-402. Tax levy.** (1) ~~For~~ Subject to [section 1] and for the purpose of establishing, constructing,  
 30 equipping, maintaining, and operating airports, landing fields, and ports under the provisions of this chapter and

1 as provided in Title 7, chapter 14, part 11, the county commissioners or the city or town council may each year  
 2 assess and levy, in addition to the annual levy for general administrative purposes or the all-purpose levy  
 3 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  
 4 town:

5 (a) not to exceed 2 mills for airports and landing fields; and

6 (b) not to exceed 2 mills for ports.

7 (2) In the event of a jointly established airport, landing field, or port, the county commissioners and the  
 8 council or councils involved shall determine in advance the levy necessary for ~~such~~ those purposes and the  
 9 proportion each political subdivision joining in the venture ~~must~~ is required to pay.

10 (3) ~~No property~~ Property within any political subdivision may not be subject to a tax pursuant to this  
 11 section at an annual rate in excess of 2 mills for airports, landing fields, or ports unless it is found that the levy  
 12 is insufficient for the purposes enumerated. In ~~such a~~ that case the commissioners and councils ~~acting~~ are  
 13 authorized and empowered to contract an indebtedness on behalf of ~~such~~ the county, city, or town, ~~as the case~~  
 14 ~~may be, upon the credit thereof~~ by borrowing money or issuing bonds for ~~such~~ those purposes, ~~provided that~~  
 15 ~~no~~ However, bonds may not be issued for ~~such purpose~~ until the proposition has been submitted to the qualified  
 16 electors and approved by a majority vote ~~cast therefor~~, except as provided in subsection (4).

17 (4) For the purpose of establishing a reserve fund to resurface, overlay, or improve existing runways,  
 18 taxiways, and ramps, the governing bodies may set up annual reserve funds in their annual budget if:

19 (a) the reserve is approved by the governing bodies during the normal budgeting procedure;

20 (b) the necessity to resurface or improve ~~said~~ runways by overlays or similar methods every so many  
 21 years is based upon competent engineering estimates; and

22 (c) the funds are expended at least within each 10-year period.

23 (5) The reserve fund may not exceed at any time a competent engineering estimate of the cost of  
 24 resurfacing or overlaying the existing runways, taxiways, and ramps of any one airport for each fund. The  
 25 governing body of the airport or port, if in its judgment it considers it advantageous, may invest the fund in any  
 26 interest-bearing deposits in a state or national bank insured by the FDIC or obligations of the United States of  
 27 America, either short-term or long-term. Interest earned from ~~such~~ the investments must be credited to the  
 28 operations and maintenance budget of the airport or port governing body. ~~The above provisions, notwithstanding~~  
 29 ~~other budget control measures and due~~ Due to the uniqueness of the subject matter, the provisions of this section  
 30 are declared necessary in the interests of the public health and safety."

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**Section 133.** Section 67-11-201, MCA, is amended to read:

**"67-11-201. General powers of authority.** An authority ~~shall have~~ has all the powers necessary or convenient to carry out the purposes of this chapter, including, subject to [section 1], the power to certify annually to the governing bodies creating it the amount of tax to be levied by ~~said~~ the governing bodies for airport purposes and including but not limited to the power to:

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

(2) execute ~~such~~ contracts and other instruments and take such other action as may be necessary or convenient to carry out the purposes of this chapter;

(3) plan, establish, acquire, develop, construct, purchase, enlarge, improve, maintain, equip, operate, regulate, and protect airports and air navigation facilities, within this state and within any adjoining state, including the acquisition, construction, installation, equipment, maintenance, and operation at ~~such~~ the airports or buildings and other facilities for the servicing of aircraft or for comfort and accommodation of air travelers and the purchase and sale of supplies, goods, and commodities ~~as~~ that are incident to the operation of its airport properties. For ~~such~~ the authorized purposes, an authority may, by purchase, gift, devise, lease, eminent domain proceedings, or otherwise, acquire property, real or personal, or any interest ~~therein~~ in property, including easements in airport hazards or land outside the boundaries of an airport or airport site, ~~as~~ that is necessary to permit the removal, elimination, obstruction-marking, or obstruction-lighting of airport hazards or to prevent the establishment of airport hazards.

(4) establish comprehensive airport zoning regulations in accordance with the laws of this state;

(5) acquire, by purchase, gift, devise, lease, eminent domain proceedings, or otherwise, existing airports and air navigation facilities; provided, however, an authority ~~shall~~ may not acquire or take over any airport or air navigation facility owned or controlled by another authority, a municipality, or public agency of this or any other state without the consent of ~~such~~ the authority, municipality, or public agency;

(6) establish or acquire and maintain airports in, over, and upon any public waters of this state; or any submerged lands under ~~such~~ public waters, provided that the authority has obtained the approval of the owner or agency that controls the water, and construct and maintain terminal buildings, landing floats, causeways, roadways, and bridges for approaches to or connecting with any ~~such~~ airport and landing floats and breakwaters for the protection ~~thereof~~ of the airport."

1           **Section 134.** Section 67-11-301, MCA, is amended to read:

2           **"67-11-301. Municipal tax levy.** The airport authority may certify annually to the governing bodies the  
3 amount of tax to be levied by each municipality participating in the creation of the airport authority, and subject  
4 to [section 1], the municipality shall levy the amount certified, pursuant to provisions of law authorizing cities and  
5 other political subdivisions of this state to levy taxes for airport purposes. The levy ~~made shall~~ may not exceed  
6 the maximum levy permitted by the laws of this state for airport purposes or any ~~such~~ lower limit ~~as that~~ may have  
7 been established by the municipality or municipalities in the resolution creating the authority. The municipality  
8 shall collect the taxes certified by an airport authority in the same manner as other taxes are levied and collected  
9 and make payment to the airport authority. The proceeds of ~~such the~~ the taxes when and as paid to the airport  
10 authority ~~shall must~~ must be deposited in a special account or accounts in which other ~~revenues~~ revenue of the  
11 authority are deposited and may be expended by the authority as provided for in this chapter. Prior to the  
12 issuance of bonds under 67-11-303, the airport authority or the municipality may by resolution covenant and  
13 agree that the total amount of ~~such the~~ the taxes then authorized by law; or ~~such the~~ the portion ~~thereof of the taxes~~ as  
14 may be specified by the resolution; will, subject to [section 1], be certified, levied, and deposited annually ~~as~~  
15 ~~herein provided~~ until the bonds and interest ~~thereon~~ are fully paid."  
16

17           **Section 135.** Section 67-11-302, MCA, is amended to read:

18           **"67-11-302. County tax levy.** ~~In~~ Subject to [section 1], in counties supporting airports or airport  
19 authorities, a levy as provided for in 67-10-402 may be made for ~~such~~ airport authority purposes."  
20

21           **Section 136.** Section 75-10-112, MCA, is amended to read:

22           **"75-10-112. Powers and duties of local government.** A local government may:

23           (1) plan, develop, and implement a solid waste management system consistent with the state's solid  
24 waste plan and propose modifications to the state's solid waste plan;

25           (2) upon adoption of the state plan by the board, pass an ordinance or resolution to exempt the local  
26 jurisdiction from complying with the state plan and subsequent rules implementing the state plan. The ordinance  
27 or resolution must include a means to provide solid waste disposal to the citizens of the jurisdiction as required  
28 in part 2 of this chapter.

29           (3) employ appropriate personnel to carry out the provisions of this part;

30           (4) purchase, rent, or execute leasing agreements for equipment and material necessary for the

- 1 implementation of a solid waste management system;
- 2 (5) cooperate with and enter into agreements with any persons in order to implement an effective solid  
3 waste management system;
- 4 (6) receive gifts, grants, or donations or acquire by gift, deed, or purchase land necessary for the  
5 implementation of any provision of this part;
- 6 (7) enforce the rules of the department or a local board of health pertaining to solid waste management  
7 through the appropriate county attorney;
- 8 (8) apply for and utilize state, federal, or other available money for developing or operating a solid waste  
9 management system;
- 10 (9) borrow from any lending agency funds available for assistance in planning a solid waste management  
11 system;
- 12 (10) subject to [section 1], finance a solid waste management system through the assessment of a tax  
13 as authorized by state law;
- 14 (11) sell on an installment sales contract or lease to a person all or a portion of a solid waste  
15 management system that the local government plans, designs, or constructs; for the consideration and upon the  
16 terms established by the local governments and consistent with the loan requirements set forth in this part and  
17 rules adopted to implement this part;
- 18 (12) procure insurance against any loss in connection with property, assets, or activities;
- 19 (13) mortgage or otherwise encumber all or a portion of a solid waste management system when the local  
20 government finds that the action is necessary to implement the purposes of this part, as long as the action is  
21 consistent with the loan requirements set forth in this part and rules adopted to implement this part;
- 22 (14) hold or dispose of real property and, subject to agreements with lessors and lessees, develop or alter  
23 the property by making improvements or betterments for the purpose of enhancing the value and usefulness of  
24 the property;
- 25 (15) finance, design, construct, own, and operate a solid waste management system or contract for any  
26 or all of the powers authorized under this part;
- 27 (16) control the disposition of solid waste generated within the jurisdiction of a local government;
- 28 (17) enter into long-term contracts with local governments and private entities for:
- 29 (a) financing, designing, constructing, and operating a solid waste management system;
- 30 (b) marketing all raw or processed material recovered from solid waste;

1 (c) marketing energy products or byproducts resulting from processing or utilization of solid waste;

2 (18) finance an areawide solid waste management system through the use of any of the sources of  
3 revenue available to the implementation entity for public works projects, by the use of revenue bonds issued by  
4 the city or county, or by fees levied by a solid waste management district, whichever is appropriate;

5 (19) enter into interlocal agreements in order to achieve and implement the powers enumerated in this  
6 part;

7 (20) regulate the siting and operation of container sites."  
8

9 **Section 137.** Section 76-1-111, MCA, is amended to read:

10 **"76-1-111. Representation of county or additional cities or towns on existing boards.** (1) Any city,  
11 county, or town or any combination ~~thereof~~ of cities, counties, or towns wishing to be represented upon an  
12 existing planning board may, by agreement of the governing body or bodies then represented ~~upon~~ on the board,  
13 obtain representation ~~thereon~~ on the board and share in the membership duties and costs of the board upon a  
14 basis agreeable to the governing body or bodies creating the board.

15 (2) The membership as well as the jurisdictional area of any board may be increased to provide for  
16 representation and planning of any additional cities, counties, or towns seeking representation.

17 (3) Any city, county, or town ~~which~~ that becomes represented upon an existing planning board pursuant  
18 to this section may appropriate funds for expenses necessary to cover the costs of ~~such~~ representation. ~~The~~  
19 Subject to [section 1], the governing bodies of any represented city or county so being represented may levy on  
20 all property ~~which~~ that is added to the jurisdictional area of an existing board by ~~such~~ representation a tax for  
21 planning board purposes under procedures set forth in Title 7, chapter 6, part 23 or part 42, whichever is  
22 applicable; ~~provided such~~ The tax shall may not exceed the maximum levy authorized in 76-1-402 through  
23 76-1-407."  
24

25 **Section 138.** Section 76-1-403, MCA, is amended to read:

26 **"76-1-403. Tax levy by county for certain county planning districts authorized.** When a county  
27 planning board has been established, the board of county commissioners may create a planning district ~~which~~  
28 ~~shall~~ that must include that the property which that lies outside the limits of the jurisdictional area as established  
29 pursuant to 76-1-504 through 76-1-507 or as modified pursuant to 76-1-501 through 76-1-503 in counties where  
30 a city-county planning board has been established as well as that property ~~which~~ that lies outside the limits of any

1 incorporated cities and towns. ~~The Subject to [section 1], the~~ board of county commissioners may levy on all  
 2 property located within ~~such the~~ planning district a tax not to exceed the maximum levy authorized by 76-1-405  
 3 for planning board purposes, under procedures set forth in Title 7, chapter 6, part 23."

4  
 5 **Section 139.** Section 76-1-404, MCA, is amended to read:

6 **"76-1-404. Tax levy by county for city-county planning board authorized.** When a city-county  
 7 planning board has been established, the board of county commissioners may create a planning district ~~which~~  
 8 ~~shall that must~~ include ~~that the~~ property within the jurisdictional areas as established pursuant to 76-1-504  
 9 through 76-1-507 ~~which that~~ lies outside the limits of any incorporated cities and towns. ~~The Subject to [section~~  
 10 ~~1], the~~ board of county commissioners may levy on all property located within ~~such the~~ planning district a tax for  
 11 planning board purposes, under procedures set forth in Title 7, chapter 6, part 23; ~~provided such~~ The tax shall  
 12 may not exceed the maximum levy authorized in 76-1-405."

13  
 14 **Section 140.** Section 76-1-405, MCA, is amended to read:

15 **"76-1-405. Maximum county mill levy -- authorization for levy.** ~~The Subject to [section 1], the~~ tax levy  
 16 for planning board purposes ~~shall be~~ is further limited as follows:

- 17 (1) A county of the first class, as defined in 7-1-2111, may levy a tax not to exceed 2 mills.  
 18 (2) A county of the second class may levy a tax not to exceed 3 mills.  
 19 (3) A county of the third class may levy a tax not to exceed 4 mills.  
 20 (4) A county of the fourth class may levy a tax not to exceed 5 mills.  
 21 (5) Counties of the fifth, sixth, and seventh classes may levy a tax not to exceed 6 mills."

22  
 23 **Section 141.** Section 76-1-406, MCA, is amended to read:

24 **"76-1-406. Tax levy by municipalities authorized.** ~~The Subject to [section 1], the~~ governing body of  
 25 any city or town represented ~~upon on~~ a planning board may levy a tax upon the property located within ~~such the~~  
 26 city or town for planning board purposes, under procedures set forth in Title 7, chapter 6, part 42; ~~provided such~~  
 27 The tax shall may not exceed the maximum levy authorized in 76-1-407."

28  
 29 **Section 142.** Section 76-1-407, MCA, is amended to read:

30 **"76-1-407. Maximum city mill levy.** ~~The Subject to [section 1], the~~ tax levy for planning board purposes



1 ~~shall be~~ is further limited as follows:

2 (1) A city of the first class, as defined in 7-1-4111, may levy a tax not to exceed 2 mills.

3 (2) A city of the second class may levy a tax not to exceed 4 mills.

4 (3) A city of the third class may levy a tax not to exceed 6 mills.

5 (4) A town may levy a tax not to exceed 6 mills."

6

7 **Section 143.** Section 76-2-102, MCA, is amended to read:

8 **"76-2-102. Organization and operation of commission.** (1) The planning and zoning ~~is~~  
9 ~~to consist~~ consists of the three county commissioners, the county surveyor, and a county official appointed by  
10 the county commissioners. Members of the commission shall serve without compensation other than  
11 reimbursement for ~~duly~~ authorized expenses and must be residents of the county in which they serve.

12 (2) The commission may appoint necessary employees and fix their compensation with the approval of  
13 the board of county commissioners, select a presiding officer to serve for 1 year, appoint a secretary to keep  
14 permanent and complete records of its proceedings, and adopt rules governing the transaction of its business.

15 (3) ~~The~~ Subject to [section 1], the finances necessary for the transaction of the planning and zoning  
16 commission's business and to pay the expenses of the employees and justified expenses of the members of the  
17 board must be paid from a levy of not to exceed 1 mill on the taxable valuation of the real property within the  
18 district."

19

20 **Section 144.** Section 76-5-1116, MCA, is amended to read:

21 **"76-5-1116. Determination of fees and charges.** (1) In fixing ~~such~~ the rate, fee, toll, or rent for water  
22 furnished for household use, domestic use, irrigation use, industrial use, and municipal use and for water used  
23 for streamflow stabilization, the governing body shall charge a fee sufficient to pay the proportionate share of the  
24 repairs, maintenance, and operating expenses as ~~such~~ the use bears in economic value to the total economic  
25 value of the total use of ~~said~~ the facilities of the project or projects. The economic value is to be determined by  
26 the governing body.

27 (2) For the benefits received by areas within the boundaries of the project or projects for flood prevention,  
28 flood control, and pollution abatement, the governing body shall determine a reasonable valuation or charge,  
29 ~~which~~ The valuation or charge ~~shall~~ must be certified by ~~them~~ the governing body to the county commissioners  
30 prior to the time general taxes are levied and assessed. ~~It shall be the obligation of~~ Subject to [section 1], the the

1 county commissioners ~~to shall~~ levy a special assessment as provided for in 76-5-1113 and 76-5-1114 against  
 2 ~~such the~~ area or areas sufficient to provide ~~revenues~~ revenue for the repairs, maintenance, and operating  
 3 expenses of the project.

4 (3) For recreation use the governing body shall first determine the share of the costs of operation,  
 5 repairs, and depreciation to be charged against ~~such~~ recreation uses and from this figure shall subtract the  
 6 estimated amount of fees and tolls collected for ~~such~~ recreation uses. The deficiency, if any, ~~shall~~ must be  
 7 certified to the county commissioners ~~in the same way as the charges for flood prevention, flood control, etc., and~~  
 8 subject to [section 1], special assessments shall must be levied by the county commissioners in the manner ~~set~~  
 9 out herein provided in this section."

10

11 **Section 145.** Section 76-6-109, MCA, is amended to read:

12 **"76-6-109. Powers of public bodies.** (1) A public body ~~shall have~~ has all the powers necessary or  
 13 convenient to carry out the purposes and provisions of this chapter, including the following powers in addition to  
 14 others granted by this chapter:

15 (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;

16 (b) to advance or accept advances of public funds;

17 (c) to apply for and accept and utilize grants and any other assistance from the federal government and  
 18 any other public or private sources, to give ~~such~~ security as may be required, to enter into and carry out contracts  
 19 or agreements in connection with the assistance, and to include in any contract for assistance from the federal  
 20 government ~~such~~ conditions imposed pursuant to federal laws as the public body may ~~deem~~ consider reasonable  
 21 and appropriate and ~~which that~~ are not inconsistent with the purposes of this chapter;

22 (d) to make and execute contracts and other instruments necessary or convenient to the exercise of its  
 23 powers under this chapter;

24 (e) in connection with the real property acquired or designated for the purposes of this chapter, to provide  
 25 or to arrange or contract for the provision, construction, maintenance, operation, or repair by any person or  
 26 agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities or  
 27 structures that may be necessary to the provision, preservation, maintenance, and management of the property  
 28 as open-space land;

29 (f) to insure or provide for the insurance of any real or personal property or operations of the public body  
 30 against any risks or hazards, including the power to pay premiums on the insurance;

1 (g) to demolish or dispose of any structures or facilities ~~which~~ that may be detrimental to or inconsistent  
2 with the use of real property as open-space land; and

3 (h) to exercise any or all of its functions and powers under this chapter jointly or cooperatively with public  
4 bodies of one or more states, if they are ~~so~~ authorized by state law, and with one or more public bodies of this  
5 state and to enter into agreements for joint or cooperative action.

6 (2) For the purposes of this chapter, the state or a city, town, other municipality, or county may:

7 (a) appropriate funds;

8 (b) subject to [section 1], levy taxes and assessments according to existing codes and statutes not to  
9 exceed 1 mill;

10 (c) issue and sell its general obligation bonds in the manner and within the limitations prescribed by the  
11 applicable laws of the state; and

12 (d) exercise its powers under this chapter through a board or commission or through ~~such~~ the office or  
13 officers ~~as~~ that its governing body by resolution determines or as the governor determines in the case of the  
14 state."

15

16 **Section 146.** Section 76-15-501, MCA, is amended to read:

17 **"76-15-501. Financial management.** A conservation district and the supervisors ~~thereof shall~~ of the  
18 district have the power to:

19 (1) borrow money and incur indebtedness and issue bonds or other evidence of ~~such~~ indebtedness;

20 (2) also refund or retire an indebtedness or lien that may exist against the district or property ~~thereof~~ of  
21 the district;

22 (3) fix and revise as necessary and collect rates, fees, tolls, rents, or other charges for the use of or for  
23 services, facilities, and materials furnished or provided, and ~~revenues~~ revenue from these sources may be  
24 expended in carrying out the purposes and provisions of this chapter;

25 (4) subject to [section 1], cause taxes to be levied in the same manner provided for in this part for the  
26 purpose of paying any obligation of the district and to accomplish the purposes of this chapter in the manner  
27 ~~herein~~ provided in this chapter;

28 (5) apply for and receive federal revenue sharing funds in order to carry out the purposes and provisions  
29 of this chapter;

30 (6) establish a conservation practice loan program as provided in this part."

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~~Section 214.~~ Section 76-15-505, MCA, is amended to read:

~~"76-15-505. Authorization to borrow money -- limitations. (1) If, after the levy of the annual assessments for the current year, the board of supervisors finds that, because of some unusual or unforeseen cause, funds raised through the collection of the assessments and from other sources will not be sufficient for the proper maintenance and operation of the district and the works in the district, the board of supervisors may:~~

~~(a) borrow additional funds needed to an amount not to exceed 50 cents per acre for the lands within the district and may pledge the credit of the district for the payment of the funds; or~~

~~(b) request the county commissioners to issue and register warrants in anticipation of further collections.~~

~~(2) The Subject to [section 1], the board of supervisors shall include in the levy for the ensuing year the amount required to pay the loan or to retire the warrants. The warrants may not exceed 90% of the assessment for the year."~~

**Section 147.** Section 76-15-516, MCA, is amended to read:

**"76-15-516. Levy of regular and special assessments.** (1) The Subject to [section 1], the board of county commissioners of each county in which any portion of the district lies may, annually at the time of levying county taxes, levy an assessment on the taxable real property within the district. The levy must be known as the "... (name of district) conservation district regular assessment" and must be sufficient to raise the amount reported to the county commissioners in the estimate of the supervisors.

(2) Subject to the conditions of [section 1], 76-15-531, and 76-15-532, the board of county commissioners of each county in which any portion of the district lies may, annually at the time of levying county taxes, levy an assessment on the taxable real property within the district. The levy must be known as the "... (name of district) conservation district special administrative assessment" and must be sufficient to raise the amount reported to the county commissioners in the estimate of the supervisors.

(3) ~~The~~ Subject to [section 1], the board of county commissioners of each county in which any portion of a project area lies may, annually at the time of levying county taxes, levy an assessment not to exceed 3 mills on the taxable real property within the project area. The levy must be known as "... (name of the project area) special assessment" and must be sufficient to raise the amount reported to the county commissioners in the estimate of the supervisors."

1           **Section 148.** Section 76-15-518, MCA, is amended to read:

2           **"76-15-518. Certification of assessment to department of revenue -- entry on property tax record.**  
 3           The Subject to [section 1], the board of county commissioners of each county in which any portion of the district  
 4           is situated may levy the assessment provided in ~~this part~~ or part 6 or this part. The assessment must be certified  
 5           to the department of revenue and entered on the property tax record of each county."  
 6

7           **Section 149.** Section 76-15-623, MCA, is amended to read:

8           **"76-15-623. Administration of special assessment.** (1) ~~When~~ Subject to [section 1], when the board  
 9           or boards of supervisors have determined that a special assessment is necessary, the board of county  
 10          commissioners of ~~such~~ the county in which there lies any portion of a project area shall annually at the time of  
 11          levying county taxes levy a special assessment of the taxable real property in the project area, not to exceed 3  
 12          mills. ~~It shall~~ The levy must be known as the "... (name of district) soil and water conservation district special  
 13          assessment" and ~~shall~~ must be sufficient to raise the income reported to it in the estimate of the supervisors.

14          (2) Each lot or parcel of land to be assessed ~~shall~~ must be assessed with that part of the amount of  
 15          money required ~~which~~ that its taxable valuation bears to the total taxable valuation of all the lands to be  
 16          assessed."  
 17

18          ~~Section 215.~~ Section 80-2-203, MCA, is amended to read:

19          ~~"80-2-203. Participation in program -- tax fee.~~ (1) A taxpayer or an association of taxpayers engaged  
 20          in the growing of crops other than those specified in this part or other agricultural or horticultural products subject  
 21          to injury or destruction by hail may, by individual or joint election filed with and approved by the board of hail  
 22          insurance, accept the provisions of this part and elect to become subject to this part. The risks may be classified  
 23          by the board, and suitable levies may be imposed as agreed upon by the board and the taxpayers. The taxpayers  
 24          are entitled to the benefits and protection afforded by the insurance provisions of this part.

25          ~~(2) Each farmer taxpayer who signifies a desire to become subject to the provisions of this part shall file~~  
 26          with the department of revenue the properly filled out form not later than August 15. The taxpayer is chargeable  
 27          with the tax fee provided for on lands growing crops subject to injury or destruction by hail and shall share in the  
 28          protection and benefits under the hail insurance provisions of this part. The application for hail insurance is in full  
 29          force and effect at 12:01 a.m. the day immediately following the acceptance of the application by the department  
 30          of revenue.

1       ~~———(3) This part may not be construed to empower anyone except the actual owner of the land to make the~~  
 2       ~~land subject to the hail tax fee provided in this part."~~

3  
 4       ~~———**Section 216.** Section 80-2-204, MCA, is amended to read:~~

5       ~~———"**80-2-204. Duty of department of revenue -- election of benefits of law.** The department of revenue~~  
 6       ~~shall upon request explain to each taxpayer engaged in the growing of crops subject to injury or destruction by~~  
 7       ~~hail the provisions of this part. The department of revenue shall issue hail insurance policies to each taxpayer~~  
 8       ~~who desires to become subject to this part, to become liable for the tax levies fees provided in this part, and to~~  
 9       ~~be eligible for the benefits and protection of this part. A taxpayer who elects to become subject to this part is liable~~  
 10       ~~for the taxes fees levied for hail insurance and shall participate in the benefits and protection afforded by this part.~~  
 11       ~~Either the owners of lands worked by others under lease or contract may make the election for hail insurance or~~  
 12       ~~the lessee of the land may tender payment of the tax levied fee for hail insurance to protect the lessee's crops,~~  
 13       ~~in cash, to the officer authorized to receive payment."~~

14  
 15       ~~———**Section 217.** Section 80-2-205, MCA, is amended to read:~~

16       ~~———"**80-2-205. What crops subject to provisions of law.** The crops grown on the lands of all taxpayers~~  
 17       ~~who shall elect to become subject to this part shall must be insured under the provisions of this part for the~~  
 18       ~~acreage and the kind of crop for which taxes fees for hail insurance will have been levied, which The insurance~~  
 19       ~~shall be is provided for, determined, and adjusted and paid for as provided by this part."~~

20  
 21       ~~———**Section 218.** Section 80-2-207, MCA, is amended to read:~~

22       ~~———"**80-2-207. Delinquent taxes -- application by delinquent -- crop lien.** (1) An owner of land who has~~  
 23       ~~more than 1 year's delinquent taxes on the land may not be allowed hail insurance under the provisions of this~~  
 24       ~~part, unless the owner's application is accompanied by a cash payment for the amount that would be due on the~~  
 25       ~~application in the event of a maximum levy for that year.~~

26       ~~———(2) Any grain grower unable to secure state hail insurance under the provisions of this part because of~~  
 27       ~~delinquent taxes or for other reasons may make application to the department of revenue, and the department~~  
 28       ~~of revenue may receive and accept the applications when the applicant furnishes a sufficient crop lien that is~~  
 29       ~~subject only to a seed lien. The crop lien may be accepted only under rules and requirements that may be~~  
 30       ~~prescribed by the board of hail insurance and under the provision that the board may cancel any hail insurance~~

1 accepted in violation of the rules and requirements. Upon receipt of the application, the department of revenue  
 2 shall make a record of the application and shall file the original in the office of the clerk and recorder of the county.  
 3 The department of revenue shall also cause an assessment for the proper amount of the fee to be made on the  
 4 property tax record in the same manner provided for in the case of other special levies or assessments.

5 ——— (3) A tenant who has delinquent hail insurance that was secured by a crop lien only and not secured by  
 6 real estate may not be allowed another policy in any succeeding year until the delinquent account or accounts  
 7 are paid or until the tenant pays cash for the current hail insurance.

8 ——— (4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as provided by  
 9 the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons for requesting a  
 10 reduction are approved by the board, the board may reduce the charge to not less than one-half the original  
 11 amount charged."

12  
 13 ——— **Section 219.** Section 80-2-221, MCA, is amended to read:

14 ——— **"80-2-221. Tax Fee for hail insurance.** (1) A tax is hereby authorized and directed to fee may be levied  
 15 on all lands in this state growing crops subject to injury or destruction by hail, the owners of which have elected  
 16 to become subject to the provisions of this part.

17 ——— (2) The board of hail insurance shall annually estimate, as accurately as possible, the amount required  
 18 to pay all losses, interest on warrants, and costs of administration and shall recommend a levy fees to be made  
 19 assessed on each kind of land respectively, subject to the provisions of this part, to the department of revenue.  
 20 The rates recommended to apply on the lands of owners shall must be applied in the same proportions to the  
 21 crops of those insured on a personal assessment basis."

22  
 23 ——— **Section 220.** Section 80-2-222, MCA, is amended to read:

24 ——— **"80-2-222. Board to establish amount of levy fee -- disposition of funds.** (1) The board of hail  
 25 insurance may, when it considers it advisable, establish as many districts as it considers advisable and may  
 26 maintain maximum rates in various parts of the state, which rates must be commensurate with the risk incurred  
 27 as nearly as it can determine from past experiences or from any records available.

28 ——— (2) Notice of the various rates established for any year must be plainly printed on the application for hail  
 29 insurance, and the rates for the year must be determined and levied by the board of hail insurance for each of  
 30 the various districts as established, in such proportions as will in its judgment be fair and equitable.

1 ~~———(3) The board of hail insurance has authority to accept and expend all funds received by it, including~~  
 2 ~~amounts repaid as principal and interest on investments. The funds are statutorily appropriated, as provided in~~  
 3 ~~17-7-502, to the board of hail insurance for the purposes of this chapter. Expenditures for actual and necessary~~  
 4 ~~expenses required for the efficient administration of this part must be made from temporary appropriations, as~~  
 5 ~~described in 17-7-501(1) or (2), made for that purpose.~~

6 ~~———(4) In making the levy fee assessment provided in this section and 80-2-223, the board of hail insurance~~  
 7 ~~shall provide for:~~

8 ~~———(a) the payment of all expenses of administration, together with all interest owed or to be owing on~~  
 9 ~~registered warrants;~~

10 ~~———(b) that portion of the losses incurred during the current year that are not paid from funds drawn from~~  
 11 ~~the reserve;~~

12 ~~———(c) the maintenance of the reserve, a part or all of which may be used in any one 1 year for the purpose~~  
 13 ~~of paying the costs of administration, interest on the warrants, and losses as settled and adjusted by the board,~~  
 14 ~~including the losses sustained in any prior year or years under the hail insurance law that have not been paid.~~

15 ~~———(5) If at the end of any hail insurance season the board determines that more funds are accumulating~~  
 16 ~~from the current year's levies than were estimated when the levy fee assessment was made and are in excess~~  
 17 ~~of the need for the payment of losses and expenses and maintenance of the reserve, the board may, at its~~  
 18 ~~discretion, refund the excess to the farmers insured for the year, on a pro rata or percentage basis.~~

19 ~~———(6) The board of hail insurance may direct the board of investments to invest funds from the enterprise~~  
 20 ~~fund pursuant to the provisions of the unified investment program for state funds. The income from the~~  
 21 ~~investments must be credited to the board of hail insurance account in the enterprise fund."~~

22  
 23 ~~———**Section 221.** Section 80-2-223, MCA, is amended to read:~~

24 ~~———"**80-2-223. Levy Fee assessment by department of revenue.** The department of revenue shall~~  
 25 ~~prescribe such levies fee assessments annually to be made against lands growing crops subject to injury or~~  
 26 ~~destruction by hail which that are subject to this part in accordance with the recommendation of the board of hail~~  
 27 ~~insurance."~~

28  
 29 ~~———**Section 222.** Section 80-2-225, MCA, is amended to read:~~

30 ~~———"**80-2-225. Real estate lien -- creation.** The tax levies fee assessments imposed pursuant to this part~~



1 are chargeable to the lands of each taxpayer who elects to become subject to this part and must be entered in  
 2 the property tax record and collected by the officers charged with such those duties in the manner and form as  
 3 are other property taxes. If the levies fee assessments are not paid, they are a lien on the lands against which  
 4 they are levied in the same manner as are other property taxes."

5  
 6 ~~Section 223.~~ Section 80-2-226, MCA, is amended to read:

7 ~~"80-2-226. Crop lien -- when created -- assessment.~~ (1) In addition to the lien created in 80-2-225 on  
 8 the land of the insured, the levy fee assessment for such hail insurance shall constitute constitutes a lien on the  
 9 crops insured with the exception that the crop lien may not apply to owners of unencumbered land or to the land  
 10 or crops of those who pay cash for hail insurance. The applications of these persons may not be filed with the  
 11 county clerk and recorded as provided for in 80-2-207. The crop lien shall must be included in all applications for  
 12 hail insurance, with the above exceptions provided in this part, and shall must be enforced as provided in  
 13 80-2-230 and 80-2-231 against all insured except those owning unencumbered land or those who have paid cash  
 14 for hail insurance.

15 ~~(2) All applicants securing hail insurance on crop liens as heretofore provided shall be in this section are~~  
 16 ~~subject to the same charges per acre as provided herein in this part to be made on land."~~

17  
 18 ~~Section 224.~~ Section 80-2-228, MCA, is amended to read:

19 ~~"80-2-228. Reserve fund.~~ (1) Each year when the hail board makes its annual levy fee assessment for  
 20 the payment of current losses, expenses of administration, and for an addition to the reserve if conditions permit,  
 21 it may not increase the levy fee enough in any year so that the addition to the reserve will exceed 5% of the  
 22 maximum risk written for that year.

23 ~~(2) The board may engage the services of a qualified actuary to conduct an actuarial valuation of the~~  
 24 ~~reserve. This valuation shall must include the actuary's determination of the amount of reserve necessary to~~  
 25 ~~absorb all reasonably anticipated catastrophic losses. This amount is the maximum permissible reserve fund for~~  
 26 ~~the next year.~~

27 ~~(3) The reserve must be deposited in an enterprise fund.~~

28 ~~(4) The board may not draw on the reserve for any purpose unless the amount required for the payment~~  
 29 ~~of losses for the current year, including interest on warrants and costs of administration, exceeds the amount of~~  
 30 ~~the estimate made by the board for the current year pursuant to 80-2-221."~~

1

2 ~~Section 225.~~ Section 80-2-229, MCA, is amended to read:

3 ~~"80-2-229. Withdrawal of crop in case of destruction through other means.~~ When any crop insured  
4 under this part shall have been ~~is~~ destroyed by any other cause than hail, the applicant may, by furnishing the  
5 proof required by the board of hail insurance, cause the crop to be withdrawn from the regular levy fee  
6 assessment of the board for the current year. Such proof shall Proof must be submitted to the board of hail  
7 insurance in accordance with its rules. Said The rules shall must be plainly printed on the applications and  
8 policies issued by the department. They shall The rules must provide that the cost for such the withdrawn  
9 insurance shall must be varied as nearly as practical according to the time the insurance is in force and according  
10 to the risk carried."

11

12 ~~Section 226.~~ Section 80-2-230, MCA, is amended to read:

13 ~~"80-2-230. Collection of levies fee assessments -- release of lien.~~ (1) The county treasurer in each  
14 county in the state shall collect all levies fee assessments made under this part in the same manner as other  
15 property taxes are collected and shall keep all moneys money collected by him or for him for hail insurance in  
16 a separate fund to be known as the hail insurance fund, and The county treasurer shall remit the same money  
17 to the state treasurer in the same manner as provided by law for the remittance of other moneys money due to  
18 the state. All county treasurers shall use due diligence in making the collections of the levies fees provided herein  
19 for in this part. Also the The board may furnish assistance needed at any time in making collections or may take  
20 over the collection of any levy fee at any time, depositing any collections therefrom with the treasurer of the  
21 county where the levy therefor fee assessment was made.

22 ~~(2) All hail insurance levies fee assessments, whether levied imposed against land or in the form of~~  
23 ~~special assessments secured by crop liens, shall be are payable in full and not in semiannual payments on or~~  
24 ~~before November 30 of each year in which such levies fee assessments are made.~~

25 ~~(3) Whenever the amount due on any hail insurance secured by a crop lien is paid, the treasurer shall~~  
26 ~~promptly endorse on the lien on file in the office of the county clerk and recorder the amount paid thereon with~~  
27 ~~the date of payment and such the endorsement shall be is a satisfaction and release of such the lien."~~

28

29 ~~Section 227.~~ Section 80-2-232, MCA, is amended to read:

30 ~~"80-2-232. State treasurer's duty -- warrants -- transfers to county and state general fund.~~ (1) The

1 state treasurer shall receive all money paid under this part and shall place the money in trust for the hail  
 2 insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the  
 3 enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must  
 4 be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the  
 5 warrants, the warrants must be registered and bear interest at the rate of 4% per annum year until called for  
 6 payment by the state treasurer.

7 ~~\_\_\_\_\_ (2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise~~  
 8 ~~fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual~~  
 9 ~~levies fee assessments made and collected in that county under this part for the use of the county as the board~~  
 10 ~~of county commissioners may determine.~~

11 ~~\_\_\_\_\_ (3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of the~~  
 12 ~~board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual levies fee~~  
 13 ~~assessments made and collected in the state of Montana."~~

14  
 15 ~~\_\_\_\_\_ **Section 228.** Section 80-2-244, MCA, is amended to read:~~

16 ~~\_\_\_\_\_ "**80-2-244. Payment of losses.** (1) The board of hail insurance shall, as soon as practicable after the~~  
 17 ~~loss has been sustained, arrange for the payment of the loss in the following manner. From the amount of the~~  
 18 ~~loss as adjusted for each claimant, the board shall deduct the amount the claimant then owes as delinquent hail~~  
 19 ~~insurance tax fees and the maximum amount assessed as hail insurance tax fees for the current year.~~

20 ~~\_\_\_\_\_ (2) The board shall on or before November 1 order payment for the amount so deducted, z which The~~  
 21 ~~payment shall must be remitted to the county treasurer of the county in which the tax fee was assessed. The~~  
 22 ~~board shall then order payment for the balance of the adjustment to be sent to the claimant, provided that in no~~  
 23 ~~case may the payment for loss may not exceed \$24 per acre for grain crops on nonirrigated lands, and \$48 per~~  
 24 ~~acre on irrigated lands. No A claimant may not receive payment for any loss incurred where if the loss does not~~  
 25 ~~equal or exceed 5% of the total value of the crop insured. If the losses in any year exceed the current levy fee~~  
 26 ~~assessments plus the reserve, if any, then the payment of all losses shall must be prorated, share and share~~  
 27 ~~alike, among all grain growers having loss claims adjusted and approved, z and the The unpaid balance of the~~  
 28 ~~losses shall must be paid out of the reserve without interest in such the order as that the board directs, when in~~  
 29 ~~the judgment of the board there are is sufficient moneys money to provide for the payment of the same losses~~  
 30 ~~and other items payable out of the reserve. In any year the board may by resolution authorize its chairman~~

1 ~~presiding officer and secretary to borrow as needed from any person, bank, or corporation such sum or sums of~~  
 2 ~~money as that the board may consider necessary for the purpose of paying all warrants as issued.~~

3 ~~———(3) For any moneys money borrowed under the provisions of this part, the board shall cause warrants~~  
 4 ~~to be drawn. The warrants shall must bear interest at not to exceed 6% a year, and the warrants and the interest~~  
 5 ~~thereon shall on the warrants must be paid out of funds from the state hail insurance program as they are~~  
 6 ~~collected from the various counties in the state. The board may not at any time borrow a total sum greater than~~  
 7 ~~the amount of levies as made for taxes fee assessments for the current year together with such any delinquent~~  
 8 ~~taxes as fee assessments that remain unpaid on the books of the county treasurer."~~

9  
 10 ~~——— **Section 229.** Section 80-11-206, MCA, is amended to read:~~

11 ~~——— **"80-11-206. Maximum annual assessment on wheat and barley grown, delivered, or stored.** (1)~~  
 12 ~~There Subject to [section 1], there is an annual assessment of not more than 10 mills per bushel on all wheat and~~  
 13 ~~not more than 15 mills per hundredweight on all barley grown, delivered, or stored in the state of Montana and~~  
 14 ~~sold through commercial channels.~~

15 ~~———(2) The assessment is levied and imposed:~~

16 ~~———(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~~  
 17 ~~must be collected by the first purchaser of the wheat or barley from the seller at the time of each settlement for~~  
 18 ~~wheat or barley purchased;~~

19 ~~———(b) in the case of a pledge or mortgage of wheat or barley as security for a loan under any federal price~~  
 20 ~~support program other than the commodity credit corporation, and must be collected by deducting the amount~~  
 21 ~~of the assessment from the proceeds of the loan at the time the loan is made by the agency or person making~~  
 22 ~~the loan; or~~

23 ~~———(c) in the case of wheat or barley pledged under the federal commodity credit corporation, and the~~  
 24 ~~assessment must be collected at the time of purchase, not at the time a lease or loan is made under the program.~~

25 ~~———(3) The assessment levied under the provisions of this part must be deducted and collected as provided~~  
 26 ~~by this part, whether the wheat or barley is stored in this or any other state. The assessment attaches to each~~  
 27 ~~transaction, but a seller is not subject to assessment more than once irrespective of the number of times the~~  
 28 ~~wheat or barley is the subject of a sale, pledge, mortgage, or other transaction. The assessment is imposed and~~  
 29 ~~attaches on the initial sale, pledge, mortgage, or other transaction in which the wheat or barley seller parts with~~  
 30 ~~title to the wheat or barley or creates some interest in the wheat or barley in a pledgee, mortgagee, or other~~

1 person."

2

3 ~~Section 230.~~ Section 81-6-104, MCA, is amended to read:

4 ~~"81-6-104. Tax levy -- special fund.~~ The county livestock protective committee may recommend to the  
5 board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle 9  
6 months of age or older in the county on January 1, and subject to [section 1], the board of county commissioners  
7 shall thereupon be empowered to levy such the tax, to ~~The tax must be collected in the same manner~~ as other  
8 taxes on personal property and when collected to must be deposited by the county treasurer in a special fund  
9 to be known as the stockmen's stockowner's special deputy fund, together with any other ~~Other~~ funds made  
10 available from county, state, federal, or private sources for the purposes of this part must be deposited in the  
11 fund."

12

13 ~~Section 231.~~ Section 81-6-204, MCA, is amended to read:

14 ~~"81-6-204. Tax levy -- deposit of proceeds.~~ The district cattle protective committee may recommend  
15 to the board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle  
16 9 months of age or older in the district on January 1, and Subject to [section 1], the board of county  
17 commissioners shall thereupon be empowered to levy such the tax, to be collected as other taxes on personal  
18 property, and when collected to The tax proceeds must be deposited in the county treasury of one of the counties  
19 in the district, to be selected by the district cattle protective committee, in a special fund to be known as the  
20 stockmen's stockowner's special deputy fund, together with any other funds made available from county, state,  
21 federal, or private sources for the purposes of this part."

22

23 ~~Section 232.~~ Section 81-6-209, MCA, is amended to read:

24 ~~"81-6-209. Tax levy -- deposit of proceeds.~~ The district cattle protective committee may recommend  
25 to the board of county commissioners the levy of a tax in an amount not to exceed 50 cents per head on all cattle  
26 9 months of age or older in the district on January 1, and Subject to [section 1], the board of county  
27 commissioners shall thereupon be empowered to levy such the tax, to The tax must be collected in the same  
28 manner as other taxes on personal property, and when collected to The tax proceeds must be deposited in the  
29 county treasury in a special fund to be known as the stockmen's stockowner's special deputy fund, together with  
30 any other ~~Other~~ funds made available from county, state, federal, or private sources for the purposes of this part

1 must also be deposited in the fund."

2

3 ~~Section 233.~~ Section 81-7-118, MCA, is amended to read:

4 ~~"81-7-118. (Temporary) Levy of tax for purpose of paying bounty claims -- limitation on levy.~~ The  
5 Subject to [section 1], the department of revenue shall annually prescribe the levy recommended by the  
6 department to be made against livestock of all classes for paying for the destruction of wild animals killed in this  
7 state. The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock. The money received  
8 must may be used only for the payment of claims approved by the department for the destruction of wild animals  
9 and for the administration of 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122. The money received  
10 for the taxes levied must be sent annually with other taxes to the state treasurer by the county treasurer of each  
11 county. When the money is received by the state treasurer, it must be placed in the state special revenue fund  
12 and may then be paid out on claims approved under the law governing the payment of claims.

13 ~~81-7-118. (Effective on occurrence of contingency) Levy of tax for purpose of paying bounty~~  
14 ~~claims -- limitation on levy.~~ The Subject to [section 1], the department of revenue shall annually prescribe the  
15 levy recommended by the department to be made against livestock of all classes for paying for the destruction  
16 of predatory animals killed in this state. The tax in any 1 year may not exceed 7.5 mills on the taxable value of  
17 the livestock. The money received must may be used only for the payment of claims approved by the department  
18 for the destruction of predatory animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120  
19 through 81-7-122. The money received for the taxes levied must be sent annually with other taxes to the state  
20 treasurer by the county treasurer of each county. When the money is received by the state treasurer, it must be  
21 placed in the state special revenue fund and may then be paid out on claims approved under the law governing  
22 the payment of claims."

23

24 ~~Section 234.~~ Section 81-7-201, MCA, is amended to read:

25 ~~"81-7-201. County levy for bounties on predatory animals.~~ Whenever the The owners, agent, or  
26 agents of the owners representing 51% of the livestock of any county in this state may present a petition to the  
27 board of county commissioners of such a county asking for the levy of a tax upon the livestock of the county for  
28 the purpose of paying bounties on predatory animals killed in the county, it is the duty of Subject to [section 1],  
29 the board of county commissioners to shall make the levy, which The levy may not exceed 50 mills on the dollar  
30 of the taxable value of all livestock in the county. The tax shall must be assessed and collected in the same

1 manner as all other state and county taxes."

2

3 ~~Section 235.~~ Section 81-7-202, MCA, is amended to read:

4 ~~"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors.~~

5 (1) The petition provided for in 81-7-201 shall must be signed by the owners, agent, or agents of the owners of  
6 not less than 51% of the livestock of such the county as ascertained from the assessment books of such the  
7 county, and shall The petition must recommend to the board of county commissioners the bounties to be paid  
8 on such predatory animals, which shall may not exceed the following:

9 ~~(a) on each wolf or mountain lion, \$100;~~

10 ~~(b) on each wolf pup or mountain lion kitten, \$20;~~

11 ~~(c) on one coyote, \$5;~~

12 ~~(d) on each coyote pup, \$2.50.~~

13 ~~(2) Such The petition shall must be presented not later than August 1 of each year, and the The board  
14 of county commissioners on determining the sufficiency of such the petition shall may make an order granting  
15 such the petition, which Subject to [section 1], the order shall must fix the levy for that year and the amount of  
16 the bounties to be paid for the killing of each such predatory animal, which shall The bounties may not exceed  
17 the amounts recommended in such the petition, and The board of county commissioners shall appoint not less  
18 than 10 or more than 20 stockowners of such the county to be bounty inspectors under this part, without  
19 compensation, who The inspectors shall hold their offices for 1 year."~~

20

21 **Section 150.** Section 81-8-504, MCA, is amended to read:

22 **"81-8-504. Tax levy authorized.** For the purpose of defraying the costs of such purebred livestock  
23 shows and such purebred livestock sales, the county commissioners are authorized and empowered, subject to  
24 [section 1], to levy annually a tax not to exceed one-fourth mill on the taxable property of the county, in excess  
25 of the amount levied for county purposes, which The taxes shall must be paid into the general fund of the  
26 county."

27

28 **Section 151.** Section 85-3-422, MCA, is amended to read:

29 **"85-3-422. Tax certified by weather modification authority -- disposition of proceeds.** (1) The  
30 authority may certify annually to the board of county commissioners a tax of not to exceed 2 mills upon the

1 taxable valuation of the property in the county for a weather modification fund. ~~The~~ Subject to [section 1], the tax  
 2 must be levied by the board of county commissioners and may be levied in excess of the mill levy limit fixed by  
 3 law for taxes for general county purposes. The weather modification fund may be used only for weather  
 4 modification activities as provided by 85-3-424. The tax certified by the authority is limited to the period of  
 5 existence of the authority.

6 (2) The money in the weather modification fund must be invested to earn interest at the rate most  
 7 advantageous to the fund, consistent with law and prudent business practice."  
 8

9 **Section 152.** Section 85-7-206, MCA, is amended to read:

10 **"85-7-206. Basis and apportionment of annual tax.** ~~The~~ Subject to [section 1], the annual tax levy  
 11 and the apportionment and distribution of the total amount required to be raised in any year ~~shall be had and done~~  
 12 must be determined and imposed in accordance with the provisions and limitations of law applicable to irrigation  
 13 districts organized under the provisions of parts 1 and 15 of this chapter."  
 14

15 **Section 153.** Section 85-7-307, MCA, is amended to read:

16 **"85-7-307. Tax levy.** ~~The~~ Subject to [section 1], the annual tax levy and the apportionment and  
 17 distribution of the total amount required to be raised in any year ~~shall be had and done~~ must be determined and  
 18 imposed in accordance with the provisions and limitations of law applicable to other irrigation districts organized  
 19 under parts 1 and 15 of this chapter."  
 20

21 **Section 154.** Section 85-7-1953, MCA, is amended to read:

22 **"85-7-1953. Amount owed United States -- lien and special tax.** All amounts to be paid to the United  
 23 States under any contract made ~~hereunder~~ pursuant to this part between the district and the United States ~~shall~~  
 24 be ~~are~~ a general obligation of the district, and ~~said the~~ amounts to be paid to the United States ~~shall be~~ are a lien  
 25 upon the irrigation system of the district. ~~All~~ Subject to [section 1], all lands ~~now~~ within the district or ~~hereafter~~  
 26 ~~embraced within~~ added to the district ~~shall~~ must be subject to a special tax or assessment for the payment of all  
 27 amounts to be paid to the United States under ~~any such~~ the contract between the district and the United States;  
 28 ~~and said~~ The special tax or assessment ~~shall constitute~~ constitutes a first and prior lien on the land against which  
 29 the tax or assessment is levied to the same extent and with like force and effect as taxes levied for state and  
 30 county purposes."



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**Section 155.** Section 85-7-1973, MCA, is amended to read:

**"85-7-1973. Amount owed the state -- lien and special tax.** All amounts owed to the state under any contract made under 85-7-1971 through 85-7-1975 between the district and the state of Montana establish a general obligation of the district for payment, and any amounts to be paid to the state of Montana constitute a lien upon the irrigation system of the district. ~~All~~ Subject to [section 1], all lands now within the district or ~~hereafter embraced within~~ added to the district are subject to a special tax or assessment for the payment of all amounts owed to the state under ~~such the~~ contract between the district and the state of Montana, ~~and this~~ The special tax or assessment constitutes a first and prior lien on the land against which it is levied to the same extent and with the same force and effect as taxes levied for state and county purposes."

**Section 156.** Section 85-7-2104, MCA, is amended to read:

**"85-7-2104. Annual tax levy -- apportionment when tracts divided.** (1) (a) On or before the second Monday in July each year, the board of commissioners of each irrigation district organized under parts 1 and 15 shall ascertain:

(i) the total amount required to be raised in that year for the general administrative expenses of the district, including the cost of maintenance and repairs; and

(ii) the total amount to be raised that year for interest on and principal of the outstanding bonded or other indebtedness of the district for which bonds of the district have not been deposited with the United States as provided in 85-7-1906.

(b) ~~The~~ Subject to [section 1], the board shall levy against each 40-acre tract or fractional lot, as designated by United States government survey, or platted lot if land is subdivided in lots and blocks (or where land is owned in less than 40-acre tracts or in less than the platted lot, against each tract) ~~of land~~ in the district, that portion of the respective total amounts to be raised which the total irrigable area of any tract or lot bears to the total irrigable area of the lands in the district, so that each acre of irrigable land in the district is assessed and required to pay the same amount as every other acre of irrigable land in the district, unless otherwise specifically provided by the board. The board may also charge the administrative charge authorized in 85-7-2103(1).

(c) Indebtedness under subsection (1) includes debt incurred under any contract between the district and the United States but excludes any indebtedness incurred by the district on behalf of a subdistrict.

(2) (a) On or before the second Monday in July each year, the board of commissioners of each irrigation

1 district organized under parts 1 and 15 for which a subdistrict has been created pursuant to 85-7-404 shall  
 2 determine the total amount to be raised that year for interest and principal payments on the outstanding bonded  
 3 or other indebtedness of the district incurred on behalf of the subdistrict.

4 (b) The board shall levy against each 40-acre tract or fractional lot, as designated by United States  
 5 government survey, or platted lot if land is subdivided in lots and blocks (or where land is owned in less than  
 6 40-acre tracts or in less than the platted lot, against each tract) in the subdistrict, the portion of the total amount  
 7 to be raised apportioned according to the ratio of the total irrigable area of the tract or lot to the total irrigable area  
 8 of the lands in the subdistrict, so that each acre of irrigable land in the subdistrict is assessed and required to pay  
 9 the same amount as every other acre of irrigable land in the subdistrict, unless otherwise specifically provided  
 10 by the board. The board may also charge the administrative charge authorized in 85-7-2103(1).

11 (3) In the event that the ownership of any 40-acre tract or other subdivision of land in the district or  
 12 subdistrict is divided after a special tax or assessment against the land has been levied, each of the owners of  
 13 a tract or subdivision is entitled to have the special tax or assessment equitably apportioned to and against the  
 14 divisions of the tract or subdivision, so that each owner is enabled to pay a special tax or assessment against the  
 15 owner's portion of the tract or subdivision and have the land discharged from the lien. The charge against any  
 16 separately owned tract of land may not be less than \$5."

17  
 18 **Section 157.** Section 85-7-2117, MCA, is amended to read:

19 **"85-7-2117. Conclusiveness of tax or assessment.** In determining the proper and just tax or  
 20 assessment to be levied against any land for district purposes, the finding of the board of commissioners of the  
 21 district, in the absence of fraud or mistake and subject to [section 1], shall be are conclusive and final, except as  
 22 herein otherwise provided in this part."

23  
 24 **Section 158.** Section 85-7-2134, MCA, is amended to read:

25 **"85-7-2134. Levy of taxes and assessments by county commissioners.** If for any reason a levy of  
 26 taxes or assessments ~~shall is not be~~ made for any irrigation district in any year by the board of commissioners  
 27 of ~~such the~~ district within the time provided by 85-7-2104, the board of county commissioners of the county in  
 28 which ~~such the~~ district is situated shall, not later than the second Monday in August, ascertain the total amount  
 29 to be raised for all purposes of ~~said the~~ district; Subject to [section 1], the board of county commissioners shall  
 30 make the levy which that should have been made by the board of commissioners of ~~such the~~ district; and shall

1 furnish the county clerk ~~of such county~~ with a list of the lands and the amount of taxes or assessments as  
 2 provided in 85-7-2136, ~~and such~~ The levy so made shall have has the same force and effect as though made  
 3 by the board of commissioners of ~~such~~ the district. This section ~~shall apply~~ applies only to irrigation districts  
 4 having a bonded indebtedness and actually in possession of a dependable water supply system and furnishing  
 5 substantial amounts of water to bona fide users."

6

7 **Section 159.** Section 85-7-2136, MCA, is amended to read:

8 **"85-7-2136. Collection of taxes or assessment.** (1) ~~On~~ Subject to [section 1] and on or before the third  
 9 Monday in August of each year, the board of commissioners shall furnish to the department of revenue a correct  
 10 list of all the district lands in the county, together with the amount of the total taxes or assessments against the  
 11 lands for district purposes. The department of revenue shall immediately upon receipt of the list enter the  
 12 assessment roll in the property tax record of the county for each year.

13 (2) The county treasurer of each county in which any irrigation district is located, in whole or in part, shall  
 14 collect and receipt for all taxes and assessments levied by the district, in the same manner and at the same time  
 15 as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. The  
 16 treasurer shall receive from any taxpayer, at any time, the amount due on account of any district assessments  
 17 of any kind, whether other taxes on the same real estate are paid or not.

18 (3) During the water delivery season, as determined by the irrigation district commissioners, the county  
 19 treasurer shall make available to the board of commissioners of an irrigation district notice of the receipt of  
 20 payments of district assessments by 9 a.m. on the day following receipt of those payments.

21 (4) If requested in writing by a board of commissioners of an irrigation district, the county treasurer may  
 22 receive assistance from an employee of the irrigation district or a commissioner of the district for the purpose of  
 23 collecting district assessments as provided in 15-16-102, investing district funds as directed by the board of  
 24 commissioners of the district, and preparing district assessment notices.

25 (5) When any real estate on account of which the district taxes and assessments have been levied has  
 26 been sold to the county and tax certificate of sale is held by the county, the taxpayer may pay to the treasurer at  
 27 any time any semiannual installment of the district tax or assessment, together with the penalty and interest to  
 28 date of payment on the installment. However, the payment may not be considered a redemption of the property  
 29 from the tax sale but must be credited on account of any redemption that may be made. In case of any payment  
 30 pursuant to this subsection, a separate tax receipt must ~~issue,~~ be issued showing exactly what assessments have

1     been paid; and ~~must show~~ showing that no other tax on the real estate has been received by the treasurer. The  
2     county treasurer may not collect, receive, or receipt for any taxes levied for county purposes upon real estate  
3     situated wholly or in part within any irrigation district upon which an assessment for the purposes of the irrigation  
4     district has been levied unless the assessment levied for irrigation district purposes is either paid as permitted  
5     in this section and the receipt for the payment is presented to the county treasurer at the time the taxes are paid;  
6     or paid at the ~~same time~~ the irrigation district taxes are paid."

7  
8           **Section 160.** Section 85-8-601, MCA, is amended to read:

9           **"85-8-601. Certification and collection of district taxes.** (1) ~~On~~ Subject to [section 1] and on or before  
10     the third Monday in August of each year, the commissioners shall certify to the department of revenue a correct  
11     list of all the district lands in each county and the owners of the lands, together with a statement of the amount  
12     of the total tax or assessment against the lands for district purposes for that year. The department of revenue  
13     shall immediately enter the assessment roll in the property tax record of the county for each year.

14           (2) The county treasurer of each county in which a drainage district is located, in whole or in part, shall  
15     collect and receipt for all taxes and assessments levied by the district; in the same manner and at the same time  
16     as is required in the collection of taxes upon real estate for county purposes as provided in 15-16-102. However,  
17     the treasurer must receive from any taxpayer, at any time, the amount due on account of any district assessments  
18     of any kind, whether other taxes on the same real estate are paid or not. When any real estate on account of  
19     which the district taxes and assessments have been levied has been sold to the county and tax certificate of sale  
20     is held by the county, the taxpayer may pay to the treasurer at any time any semiannual installment of the district  
21     tax or assessment, together with the penalty and interest to date of payment on the installment. However, the  
22     payment may not be considered a redemption of the property from the tax sale, but must be credited on account  
23     of any redemption that may later be made. In case of any payment pursuant to this subsection, a separate tax  
24     receipt must be issued showing exactly what assessments have been paid and showing that no other tax on the  
25     real estate has been received by the treasurer. However, the county treasurer may not collect, receive, or receipt  
26     for any taxes levied for county purposes upon real estate situated wholly or in part within any drainage district  
27     upon which an assessment for the purposes of the drainage district has been levied unless the assessment levied  
28     for the drainage district purposes is either paid as provided in this section and the receipt is presented to the  
29     county treasurer at the time the real estate taxes are paid or paid at the time the drainage district taxes are paid."

1           **Section 161.** Section 85-8-615, MCA, is amended to read:

2           **"85-8-615. Procedure to levy additional assessments.** If Subject to [section 1], if in the first  
 3 assessment for construction the commissioners ~~shall have~~ reported to the court a smaller sum than is needed  
 4 to complete the work of construction or if in any year an additional sum is necessary to pay the lawful  
 5 indebtedness of ~~said the~~ drainage district, further or additional assessments on the land (including improvements  
 6 where benefited) and corporations benefited, proportioned on the last assessment of benefits ~~which that~~ has been  
 7 approved by the court, ~~shall must~~ be made by the commissioners of ~~said the~~ drainage district under the order of  
 8 the court, ~~or presiding judge thereof, provided, however~~ However, that the total assessments for original  
 9 construction and any additional assessments, other than for maintenance, incidental expense, and interest on  
 10 bonds, ~~shall, in no event, may not~~ exceed the total assessments of benefits as provided in 85-8-342. Notice of  
 11 the hearing of the application for ~~such the~~ additional assessment ~~shall must~~ be published at least once each  
 12 week for 3 consecutive weeks in one newspaper published in each county in which ~~said the~~ lands, or any part  
 13 ~~thereof of the lands,~~ within ~~said the~~ district are situated, ~~which The~~ further or additional assessment may be made  
 14 payable in installments as specified in 85-8-611 and ~~shall must~~ be treated and collected in the same manner as  
 15 the original assessments for construction confirmed by the court in ~~said the~~ drainage district."  
 16

17           **Section 162.** Section 85-8-618, MCA, is amended to read:

18           **"85-8-618. Assessment of unassessed, benefited lands.** Whenever any lands from which surface  
 19 or seepage water enters any drain or upon which or through which surface or seepage water has been prevented  
 20 from flowing because of the construction of any drain have not been included within the drainage district ~~which~~  
 21 ~~that~~ constructed ~~such the~~ drains or drain or the owner of any irrigation ditch or canal from which water seeps,  
 22 drains, or wastes to, upon, or through lands included within a drainage district has not been assessed for the cost  
 23 of construction of the drainage system of ~~said the~~ drainage district, the commissioners of ~~such the~~ district may  
 24 report ~~said the~~ facts to the court and ask that ~~said the~~ lands, ~~describing them,~~ be brought into ~~said the~~ district and  
 25 assessed for their proportionate share of the cost of the drainage system, ~~of said drainage district and~~ Subject  
 26 to [section 1], the report may ask that the owner of any ~~such~~ irrigation ditch or canal be assessed its proportionate  
 27 share of the costs of construction of ~~such the~~ drainage system. ~~Thereupon, the~~ The same proceedings as set out  
 28 in 85-8-421 through 85-8-424 for the determination and levy of assessments against drained lands outside of the  
 29 drainage district receiving benefits from the drainage of ~~said the~~ district ~~shall be had~~ must be commenced  
 30 to determine the proper assessments, if any, to be levied against ~~said the~~ lands and the owner of ~~such the~~ irrigation

1 ditch or canal to aid in payment of costs of construction."

2  
3 **Section 163.** Section 90-5-112, MCA, is amended to read:

4 **"90-5-112. Economic development levy.** (1) ~~The~~ Subject to [section 1], the governing body of a city,  
5 county, or town is authorized to levy up to 1 mill upon the taxable value of all the property in the city, county, or  
6 town subject to taxation for the purpose of economic development. The governing body may:

7 (a) submit the question of the mill levy to the qualified voters voting in a city, county, or town election;

8 or

9 (b) approve the mill levy by a vote of the governing body.

10 (2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing  
11 buildings to house manufacturing and processing operations, conducting preliminary feasibility studies, promoting  
12 economic development opportunities in a particular area, and other activities generally associated with economic  
13 development. These funds may not be used to directly assist an industry's operations by loan or grant or to pay  
14 the salary or salary supplements of government employees.

15 (3) The governing body of the county, city, or town may use the funds derived from this levy to contract  
16 with local development companies and other associations or organizations capable of implementing the economic  
17 development function.

18 ~~(4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied for a~~  
19 ~~period not to exceed 6 years and is not subject to the provisions of Title 15, chapter 10, part 4.~~

20 (4) A TAX AUTHORIZED BY A VOTE OF THE ELECTORATE, AS PROVIDED IN SUBSECTION (1)(A), MAY BE LEVIED FOR  
21 A PERIOD NOT TO EXCEED 6 YEARS."

22  
23 ~~Section 175.~~ Section 90-6-309, MCA, is amended to read:

24 ~~"90-6-309. Tax prepayment -- large-scale mineral development.~~ (1) After permission to commence  
25 operation is granted by the appropriate governmental agency, and upon request of the governing body of a  
26 county in which a facility is to be located, a person intending to construct or locate a large-scale mineral  
27 development in this state shall prepay property taxes as specified in the impact plan. This prepayment shall  
28 exclude the 6-mill university levy established under 20-25-423 and may exclude the mandatory county levies for  
29 the school BASE funding program established in 20-9-331 and 20-9-333.

30 ~~(2) The person who is to prepay under this section is not obligated to prepay the entire amount~~

1 established in subsection (1) at one time. Upon request of the governing body of an affected local government  
 2 unit, the person shall prepay the amount shown to be needed from time to time as determined by the board:

3 ~~—— (3) The person who is to prepay shall guarantee to the hard-rock mining impact board, through an~~  
 4 ~~appropriate financial institution, as may be required by the board, that property tax prepayments will be paid as~~  
 5 ~~needed for expenditures created by the impacts of the large-scale mineral development.~~

6 ~~—— (4) When Subject to [section 1], when the mineral development facilities are completed and assessed~~  
 7 ~~by the department of revenue, they are subject during the first 3 years and thereafter to taxation as all other~~  
 8 ~~property similarly situated, except that in each year after the start of production, the local government unit that~~  
 9 ~~received a property tax prepayment shall provide for repayment of prepaid property taxes in accordance with~~  
 10 ~~subsection (5).~~

11 ~~—— (5) A local government unit that received all or a portion of the property tax prepayment under this~~  
 12 ~~section shall provide for tax crediting as specified in the impact plan. The tax credit allowed in any year may not,~~  
 13 ~~however, exceed the tax obligation of the developer for that year, and the time period for tax crediting is limited~~  
 14 ~~to the productive life of the mining operation."~~

15  
 16 ~~—— **Section 233.** Section 90-6-310, MCA, is amended to read:~~

17 ~~—— **"90-6-310. Local government facility impact bonds.** (1) When the need for the construction,~~  
 18 ~~renovation, improvement, or acquisition of local government facilities as a result of the large-scale mineral~~  
 19 ~~development is determined under 90-6-307, the owners of a large-scale mineral development may enter into a~~  
 20 ~~written agreement with the local government unit having the burden for the increased capital and operating costs~~  
 21 ~~expected to be incurred by the facilities. The local government unit may execute a written agreement with the~~  
 22 ~~owner of a large-scale mineral development for the issuance of any special industrial local government facility~~  
 23 ~~impact bonds provided for in this section.~~

24 ~~—— (2) The agreement with the owners of a large-scale mineral development shall must provide for a~~  
 25 ~~payment guarantee, in addition to the taxes imposed by the local government unit on property owners generally,~~  
 26 ~~of the principal and interest on the bonds provided for in this section. Payment Subject to [section 1], payment~~  
 27 ~~will then be made by an annual special tax levy on the property of the large-scale mineral development sufficient~~  
 28 ~~to retire the principal of and interest on these special impact bonds. The bonds shall may not be an obligation of~~  
 29 ~~the local government unit, but shall must be special obligations limited to the revenue derived from the special~~  
 30 ~~tax levy. A local government unit shall establish a levy and, to the extent bonds are issued as provided in this~~

1 section, shall pledge the special fund and all revenues revenue of the special tax levy to the repayment of the  
 2 bonds:

3 ~~—— (3) The debt limits set forth in 7-7-2203, 7-7-4201, and 20-9-406 do not apply to bonds issued in~~  
 4 ~~accordance with this section. The interest on such the bonds shall may not be subject to state taxes.~~

5 ~~—— (4) The impact bonds shall must be authorized by the governing body of the local government unit by~~  
 6 ~~a resolution that states:~~

7 ~~—— (a) the facility for which the bonds are issued;~~

8 ~~—— (b) the amount of the bonds;~~

9 ~~—— (c) the rate of interest the bonds bear;~~

10 ~~—— (d) the date of the bonds and the maturity date or dates of the bonds;~~

11 ~~—— (e) the dates interest is payable on the bonds;~~

12 ~~—— (f) the redemption options, if any, with respect to the bonds; and~~

13 ~~—— (g) the manner of execution of the bonds.~~

14 ~~—— (5) The impact bonds shall must be:~~

15 ~~—— (a) in registered form as to principal and interest;~~

16 ~~—— (b) payable in installments and at times not exceeding 30 years from their date of issuance; and~~

17 ~~—— (c) payable at a place or places and be evidenced in a manner the governing body determines is in the~~  
 18 ~~best interest of the local government unit.~~

19 ~~—— (6) Any impact bonds issued under the authority of this section may be sold at public or private sale in~~  
 20 ~~a manner, at a time or times, and at a price above or below par as may be determined by the governing body of~~  
 21 ~~the local government unit. All expenses, premiums, and commissions that the local government unit considers~~  
 22 ~~necessary or advantageous in connection with the authorization, sale, and issuance of the bonds may be paid~~  
 23 ~~by the governing body of the local government unit from the proceeds of the sale of the bonds.~~

24 ~~—— (7) If more than one local government unit adopts a resolution to issue impact bonds, the local~~  
 25 ~~government units may enter into an interlocal agreement under 7-11-101 through 7-11-105, 7-11-107, and~~  
 26 ~~7-11-108, providing for the issue of impact bonds of the local government units to be combined in a single~~  
 27 ~~offering, if the governing body of each local government unit authorizing the bonds determines that the pooling~~  
 28 ~~of bonds:~~

29 ~~—— (a) is in the best interest of the local government units;~~

30 ~~—— (b) will facilitate the sale of the bonds under more advantageous terms;~~



1       ~~\_\_\_\_\_ (c) will lower the interest rates; or~~  
 2       ~~\_\_\_\_\_ (d) will lower the cost of issuance.~~  
 3       ~~\_\_\_\_\_ (8) In addition to the specific requirements of 7-11-105, the interlocal agreement shall must provide:~~  
 4       ~~\_\_\_\_\_ (a) that the bond titles shall must denote that impact bonds of different local government units have been~~  
 5       ~~pooled and shall must refer to each local government unit executing the interlocal agreement;~~  
 6       ~~\_\_\_\_\_ (b) for a single debt service fund, to be held by a qualified trust company, to which each local government~~  
 7       ~~unit shall pledge and pay the annual special tax levies levied against the large-scale mineral development; and~~  
 8       ~~\_\_\_\_\_ (c) that the bonds are payable solely from and against the debt service funds under the interlocal~~  
 9       ~~agreement."~~

10  
 11               **Section 164.** Section 90-6-403, MCA, is amended to read:

12               **"90-6-403. Jurisdictional revenue disparity -- conditioned exemption and reallocation of certain**  
 13 **taxable valuation.** (1) When an impact plan for a large-scale mineral development approved pursuant to  
 14 90-6-307 identifies a jurisdictional revenue disparity, the board shall promptly notify the developer, all affected  
 15 local government units, and the department of revenue of the disparity. Except as provided in ~~this section and~~  
 16 ~~90-6-404 and this section~~, the increase in taxable valuation of the mineral development that occurs after the  
 17 issuance and validation of a permit under 82-4-335 is not subject to the usual application of county and school  
 18 district property tax mill levies. This increase in taxable valuation must be allocated to local government units as  
 19 provided in 90-6-404. The increase in taxable valuation allocated as provided in 90-6-404 is subject to [section  
 20 1] and the application of property tax mill levies in the local government unit to which it is allocated. THE INCREASE  
 21 IN TAXABLE VALUATION ALLOCATED TO THE LOCAL GOVERNMENT UNIT IS CONSIDERED NEWLY TAXABLE PROPERTY IN THE  
 22 RECIPIENT LOCAL GOVERNMENT UNIT AS PROVIDED IN [SECTION 1].

23               (2) ~~The~~ Subject to [section 1], the total taxable valuation of a large-scale mineral development remains  
 24 subject to the statewide mill levies and basic county levies for elementary and high school BASE funding  
 25 programs as provided in 20-9-331 and 20-9-333.

26               (3) The provisions of subsection (1) remain in effect until the large-scale mineral development ceases  
 27 operations or until the existence of the jurisdictional revenue disparity ceases, as determined by the board."  
 28

29               **NEW SECTION. SECTION 165. EXTENSION OF 1999 DEADLINES RELATING TO PROPERTY TAXATION. AS A**  
 30 **RESULT OF THE CHANGE IN THE PHASE IN OF REAPPRAISAL FOR CLASS THREE, FOUR, AND TEN PROPERTY ENACTED BY THE**

1 56TH LEGISLATURE, IT MAY NOT BE POSSIBLE TO COMPLY WITH CERTAIN STATUTORY DEADLINES RELATING TO APPRAISALS,  
 2 ASSESSMENTS, REIMBURSEMENTS, BUDGETS, AND COLLECTION OF PROPERTY TAXES. THE STATE APPRAISAL AND  
 3 ASSESSMENT PROCESS MAY BE DELAYED, WHICH IN TURN MAY CAUSE DELAYS FOR THE TAX APPEAL BOARDS AND LOCAL  
 4 GOVERNMENT TAXING JURISDICTION BUDGETING AND COLLECTION PROCESSES. THEREFORE, FOR TAX YEAR 1999, ALL  
 5 DEADLINES ARE EXTENDED AS NECESSARY AND REASONABLE, EXCEPT THAT THE TIME LIMITS ALLOWED FOR FILING AN  
 6 APPEAL REMAIN THE SAME AS PROVIDED BY LAW IN ORDER TO ALLOW FOR THE ORDERLY AND EFFICIENT ASSESSMENT AND  
 7 COLLECTION OF TAXES.

8  
 9 **SECTION 166.** SECTION 1, SENATE BILL NO. 79, 1999, IS AMENDED TO READ:

10 **"Section 1. Tax levy for university system.** Subject to the provisions of 20-25-423 and [section 1],  
 11 there is levied upon the taxable value of all real estate and personal property subject to taxation in the state of  
 12 Montana 6 mills or so much of 6 mills as is necessary to raise the amount appropriated by the legislature from  
 13 the state special revenue fund for the support, maintenance, and improvement of the Montana university system,  
 14 as provided in referendum measure No. 113, passed by a vote of the people at the general election held  
 15 November 3, 1998. The funds raised from the levy must be deposited in the state special revenue fund."

16  
 17 **NEW SECTION. SECTION 167. REIMBURSEMENT TO COUNTIES, CITIES, TOWNS, AND CONSOLIDATED**  
 18 **CITY-COUNTY GOVERNMENTS FOR LOSSES IN REVENUE.** (1) (A) THE DEPARTMENT OF REVENUE SHALL DETERMINE THE  
 19 AMOUNT OF TAX AND OTHER REVENUE LOST BY EACH LOCAL GOVERNMENT UNIT AS A RESULT OF THE ENACTMENT OF  
 20 HOUSE BILL NO. 128, HOUSE BILL NO. 174, HOUSE BILL NO. 420, HOUSE BILL NO. 658, SENATE BILL NO. 200, ~~SENATE~~  
 21 ~~BILL NO. 260,~~ AND SENATE BILL NO. 530 FOR FISCAL YEAR 2000 AND FOR FISCAL YEAR 2001. THE DETERMINATION MUST  
 22 BE MADE BY AUGUST 15, 1999, FOR FISCAL YEAR 2000, AND BY MARCH 15, 2000, FOR FISCAL YEAR 2001. THE  
 23 DEPARTMENT SHALL USE FISCAL YEAR 1998 AS ITS BASE YEAR FOR EACH DETERMINATION.

24 (B) AS USED IN THIS SECTION, "LOCAL GOVERNMENT UNIT" MEANS A COUNTY, CITY, OR TOWN CAPABLE OF  
 25 LEVYING MILLS, CONSOLIDATED CITY-COUNTY GOVERNMENT, SCHOOL DISTRICT, MISCELLANEOUS DISTRICT, OR OTHER  
 26 LOCAL DISTRICT THAT LEVIES MILLS. THE TERM DOES NOT INCLUDE ~~TAX INCREMENT FINANCING DISTRICTS, THE STATE,~~  
 27 ~~SCHOOL DISTRICTS, SCHOOL TRANSPORTATION LEVIES, OR TEACHER RETIREMENT LEVIES.~~

28 (C) THE DEPARTMENT SHALL DETERMINE THE AMOUNT OF TAX AND OTHER REVENUE DUE EACH LOCAL  
 29 GOVERNMENT UNIT FOR FISCAL YEAR 1998 FROM THE FOLLOWING SOURCES:

30 (I) PROPERTY TAXES LEVIED BY EACH LOCAL GOVERNMENT UNIT WITHIN EACH COUNTY OR CONSOLIDATED

1 CITY-COUNTY GOVERNMENT FOR FISCAL YEAR 1998, BUT EXCLUDING ANY MILLS LEVIED BY THE STATE PURSUANT TO  
 2 [SECTION 1 OF SENATE BILL NO. 79], 20-9-331, 20-9-333, 20-9-360, 20-25-439, AND 53-2-813; AND

3 (II) OIL AND GAS PRODUCTION TAXES LEVIED AND DISTRIBUTED AS PROVIDED FOR IN TITLE 15, CHAPTER 36; AND

4 — (III) MOTOR VEHICLE FEES AND TAXES PAID PURSUANT TO 61-3-504.

5 (2) THE DEPARTMENT SHALL CALCULATE FOR EACH LOCAL GOVERNMENT UNIT FOR FISCAL YEAR 1998 THE  
 6 AMOUNT OF TAX AND OTHER REVENUE THAT WOULD HAVE BEEN DUE EACH LOCAL GOVERNMENT UNIT FROM THE SOURCES  
 7 LISTED IN SUBSECTION (1) IF HOUSE BILL NO. 128, HOUSE BILL NO. 174, HOUSE BILL NO. 420, HOUSE BILL NO. 658,  
 8 SENATE BILL NO. 200, ~~SENATE BILL NO. 260~~, AND SENATE BILL NO. 530 HAD BEEN IN EFFECT FOR FISCAL YEAR 1998.

9 ~~(3) THE MOTOR VEHICLE TAX LOSS AS A RESULT OF SENATE BILL NO. 260 FOR CITIES AND TOWNS CAPABLE OF~~  
 10 ~~LEVYING MILLS IS 30% OF THE TAX AMOUNT RECEIVED BY EACH CITY AND TOWN PURSUANT TO 61-3-504 IN TAX YEAR~~  
 11 ~~1998.~~

12 ~~(4) THE MOTOR VEHICLE TAX LOSS AS A RESULT OF SENATE BILL NO. 260 FOR COUNTIES IS 30% OF THE TAX~~  
 13 ~~AMOUNT RECEIVED BY EACH COUNTY PURSUANT TO 61-3-504 IN TAX YEAR 1998, INCREASED BY THE RATIO OF THE SUM~~  
 14 ~~OF THE COUNTY MILL LEVY PLUS THE COUNTYWIDE WEIGHTED AVERAGE MILL LEVY FOR ALL LOCAL GOVERNMENT UNITS,~~  
 15 ~~EXCEPT THE COUNTY, WITHIN THE COUNTY TO THE COUNTY GOVERNMENT MILL LEVY, AS DETERMINED BY THE~~  
 16 ~~DEPARTMENT.~~

17 ~~(5)~~(3) IN MAKING THE CALCULATION PROVIDED FOR IN SUBSECTION (2), THE DEPARTMENT SHALL TAKE INTO  
 18 ACCOUNT ANY BENEFIT TO A LOCAL GOVERNMENT UNIT THAT LEVIED MILLS AGAINST ELECTRICAL GENERATION PROPERTY  
 19 IN FISCAL YEAR 1998 FROM ANY INCREASE IN THE ASSESSED VALUE OF ELECTRICAL GENERATION PROPERTY STEMMING  
 20 FROM THE SALE OF ELECTRICAL GENERATION ASSETS SUBSEQUENT TO TAX YEAR 1997.

21 ~~(6)~~(4) (A) EACH COUNTY, CITY, TOWN, AND CONSOLIDATED CITY-COUNTY GOVERNMENT THAT IN AGGREGATE  
 22 LOST TAX REVENUE IN A PARTICULAR YEAR, BASED ON THE DIFFERENCE BETWEEN THE CALCULATION IN SUBSECTIONS  
 23 (1)(C) AND (2), MUST RECEIVE THE SAME PERCENTAGE OF THE APPROPRIATION FOR LOCAL GOVERNMENT  
 24 REIMBURSEMENTS AS THE APPROPRIATION BEARS TO THE TOTAL AMOUNT OF LOSS FOR ALL LOCAL GOVERNMENT UNITS  
 25 IN THIS STATE. PAYMENTS MUST BE MADE IN TWO SIMILAR INSTALLMENTS FOR EACH FISCAL YEAR ON OR ABOUT  
 26 DECEMBER 15 AND JUNE 15. EACH COUNTY, CITY, TOWN, AND CONSOLIDATED CITY-COUNTY GOVERNMENT IS AUTHORIZED  
 27 TO DISTRIBUTE THE REVENUE RECEIVED AMONG ITS FUNDS AND DISTRICTS ACCORDING TO CURRENT YEAR MILL LEVIES.  
 28 HOWEVER, BECAUSE LOSSES BY A TAX INCREMENT FINANCING DISTRICT ARE NOT CALCULATED OR REIMBURSED, IT MAY  
 29 RECEIVE ONLY AN AMOUNT AS REQUIRED TO ENSURE THAT IT CAN REPAY BONDS IN EXISTENCE ON APRIL 15, 1999, IF ALL  
 30 ITS EXISTING REVENUE AND RESERVES ARE TO BE USED ONLY TO MEET THE BOND PAYMENT AND ARE INSUFFICIENT TO

~~DO SO.~~ EXCEPT AS PROVIDED IN SUBSECTIONS (4)(B), EACH TAX INCREMENT FINANCING DISTRICT MUST RECEIVE THE BENEFIT OF THE REIMBURSEMENT BASED ON THE LOSS TO THE INCREMENTAL TAXABLE VALUE OF THE DISTRICT.

(B) A TAX INCREMENT FINANCING DISTRICT THAT CONSISTS OF AN INDUSTRIAL DISTRICT CREATED UNDER 7-15-4299 MAY NOT RECEIVE ANY REIMBURSEMENT UNDER SUBSECTION (4)(A).

~~(7)(5)~~ THE AMOUNT OF LOSS CALCULATED IN SUBSECTION (2), CONVERTED TO TAXABLE VALUE BY MULTIPLYING BY THE APPLICABLE MILL LEVY, SHALL BE ADDED TO THE TAXABLE VALUE OF TAXING UNITS TO DETERMINE THEIR BONDING LIMITS.

(6) (A) A CHARTER FORM OF LOCAL GOVERNMENT THAT HAS A CHARTER PROVISION THAT PROHIBITS AN INCREASE IN THE NUMBER OF MILLS THAT MAY BE LEVIED TO COMPENSATE FOR THE LOSS OF TAXABLE VALUE, AS AUTHORIZED IN [SECTION 1], IS ENTITLED TO FURTHER REIMBURSEMENT IN ADDITION TO THAT COMPUTED UNDER SUBSECTIONS (1) THROUGH (5) OF THIS SECTION.

(B) THE AMOUNT OF REIMBURSEMENT IS EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT OF THE REIMBURSEMENT CALCULATED UNDER SUBSECTIONS (1) THROUGH (5) AND THE AMOUNT OF PROPERTY TAX IMPOSED IN TAX YEAR 1998. IF THE AMOUNT APPROPRIATED FOR THE REIMBURSEMENT UNDER THIS SUBSECTION (6) IS INSUFFICIENT TO FULLY FUND ALL THE JURISDICTIONS ENTITLED TO REIMBURSEMENT, THE PAYMENTS MUST BE PRORATED TO THE JURISDICTIONS. THE PAYMENTS MUST BE MADE WITH THE PAYMENTS MADE UNDER SUBSECTIONS (1) THROUGH (5).

**NEW SECTION. SECTION 168. LOCAL GOVERNMENT AND COURT FUNDING AND STRUCTURE COMMITTEES -- MEMBERSHIP -- PURPOSE.** (1) THERE IS AN INTERIM LOCAL GOVERNMENT FUNDING AND STRUCTURE COMMITTEE COMPOSED OF ~~43~~ 10 MEMBERS. THE MEMBERS MUST INCLUDE:

(A) TWO MEMBERS FROM THE HOUSE OF REPRESENTATIVES, ONE FROM EACH PARTY, APPOINTED BY THE SPEAKER OF THE HOUSE;

(B) TWO MEMBERS FROM THE SENATE, ONE FROM EACH PARTY, APPOINTED BY THE SENATE COMMITTEE ON COMMITTEES; AND

(C) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

~~(C)~~ THREE MEMBERS APPOINTED BY THE MONTANA ASSOCIATION (I) TWO REPRESENTATIVES OF COUNTIES;

~~(D)~~ (II) TWO MEMBERS APPOINTED BY THE MONTANA LEAGUE REPRESENTATIVES OF CITIES AND TOWNS;

~~(E)~~ (III) ONE MEMBER APPOINTED BY THE MONTANA COUNTY TREASURERS ASSOCIATION COUNTY TREASURER;

AND

~~(F)~~ (IV) ONE MEMBER FROM THE STATE EXECUTIVE BRANCH OF GOVERNMENT APPOINTED BY THE GOVERNOR;

1 ~~\_\_\_\_\_ (G) ONE MEMBER APPOINTED BY THE MONTANA SCHOOL BOARDS ASSOCIATION; AND~~

2 ~~\_\_\_\_\_ (H) ONE MEMBER OF THE GENERAL PUBLIC APPOINTED BY THE GOVERNOR.~~

3 (2) THE NAMES OF THE COMMITTEE MEMBERS MUST BE CERTIFIED TO THE DEPARTMENT OF ADMINISTRATION BY  
4 JULY 1, 1999.

5 (3) THERE IS AN INTERIM COURT FUNDING AND STRUCTURE COMMITTEE COMPOSED OF ~~13~~ 10 MEMBERS. THE  
6 MEMBERS MUST INCLUDE:

7 (A) TWO MEMBERS FROM THE HOUSE OF REPRESENTATIVES, ONE FROM EACH PARTY, APPOINTED BY THE  
8 SPEAKER OF THE HOUSE;

9 (B) TWO MEMBERS FROM THE SENATE, ONE FROM EACH PARTY, APPOINTED BY THE SENATE COMMITTEE ON  
10 COMMITTEES;

11 (C) ONE MEMBER APPOINTED BY THE CHIEF JUSTICE OF THE MONTANA SUPREME COURT; AND

12 (D) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

13 ~~(E)(I) ONE MEMBER APPOINTED BY THE MONTANA LEAGUE OF REPRESENTING CITIES AND TOWNS;~~

14 ~~(F)(II) ONE MEMBER APPOINTED BY THE MONTANA ASSOCIATION OF REPRESENTING COUNTIES;~~

15 ~~(G)(III) ONE MEMBER REPRESENTING THE MONTANA JUDGES ASSOCIATION;~~

16 ~~(H)(IV) ONE MEMBER REPRESENTING THE MONTANA MAGISTRATES ASSOCIATION; AND~~

17 ~~(I)(V) ONE MEMBER REPRESENTING THE MONTANA ASSOCIATION OF CLERKS CLERK OF COURT;~~

18 ~~\_\_\_\_\_ (J) ONE MEMBER REPRESENTING THE MONTANA STATE BAR ASSOCIATION; AND~~

19 ~~\_\_\_\_\_ (K) TWO MEMBERS FROM THE GENERAL PUBLIC APPOINTED BY THE GOVERNOR.~~

20 (4) THE NAMES OF THE COMMITTEE MEMBERS MUST BE CERTIFIED TO THE DEPARTMENT OF ADMINISTRATION BY  
21 JULY 1, 1999.

22 (5) (A) THE MEMBERS OF EACH COMMITTEE SHALL SELECT A PRESIDING OFFICER AND MAY APPOINT OTHER  
23 OFFICERS AS CONSIDERED NECESSARY.

24 (B) THE COMMITTEES MAY ADOPT RULES OF PROCEDURE FOR CONDUCTING MEETINGS.

25 (C) THE PRESIDING OFFICER OF EACH COMMITTEE SHALL SCHEDULE MEETINGS AND SHALL DIRECT THE STAFF  
26 OF THE DEPARTMENT OF ADMINISTRATION TO GIVE NOTICE OF THE TIME AND PLACE OF MEETINGS TO THE COMMITTEE  
27 MEMBERS AND TO THE PUBLIC.

28 (6) (A) THE PURPOSE OF THE COMMITTEES IS TO CONDUCT A STUDY OF FUNDING LOCAL GOVERNMENT,  
29 INCLUDING THE COURTS, TO ASCERTAIN THE BEST METHOD OF ALLOCATING CURRENT AND FUTURE RESOURCES, WHILE  
30 PROVIDING A COMPLEMENTARY FUNDING RELATIONSHIP BETWEEN LOCAL GOVERNMENT AND STATE GOVERNMENT. THIS

1 COMPLEMENTARY FUNDING RELATIONSHIP MUST PROVIDE STABLE AND RELIABLE REVENUE STREAMS TO LOCAL  
2 GOVERNMENTS, INCLUDING THE COURTS. THE STUDY MUST EXPLORE REGIONAL CONCEPTS, AS WELL AS FURTHER LIFTING  
3 OF LOCAL GOVERNMENT REVENUE RESTRICTIONS AND DE-EARMARKING OF REVENUE TO LOCAL GOVERNMENTS. THE  
4 COMPLEMENTARY FUNDING RELATIONSHIP MUST MEET THE CRITERIA SET FORTH IN THE FOLLOWING VISION STATEMENT,  
5 ADOPTED BY THE LOCAL GOVERNMENT FUNDING AND SCHOOL FINANCE VISIONING GROUP:

6 "WE ARE DEDICATED TO PARTNERSHIPS AMONG THE STATE, COUNTIES, CITIES, AND SCHOOL DISTRICTS THAT ARE  
7 BASED ON MUTUAL TRUST AND RESPECT FOR LOCAL AUTHORITY. THIS PARTNERSHIP WILL ENABLE ALL GOVERNMENTS TO  
8 RESPOND TO THE DEMANDS OF THEIR CITIZENS IN THE 21ST CENTURY THROUGH A MIX OF TAXES AND FEES THAT IS  
9 UNDERSTANDABLE, EQUITABLE, STABLE, AND ADEQUATE. THE COLLECTION AND DISTRIBUTION SYSTEM FOR THESE TAXES  
10 AND FEES WILL BE SIMPLE, EFFICIENT, ACCURATE, AND TIMELY."

11 (B) THE COMMITTEES SHALL COORDINATE THEIR WORK AND SHALL REPORT TO EACH OTHER AFTER EACH  
12 MEETING. THE TWO COMMITTEES SHALL MEET TOGETHER AT LEAST ONCE EVERY 6 MONTHS.

13 (C) (I) THE COMMITTEES SHALL MAKE INTERIM REPORTS TO THE GOVERNOR, THE CHIEF JUSTICE, AND THE  
14 LEADERSHIP OF EACH HOUSE OF THE LEGISLATURE EVERY 6 MONTHS.

15 (II) THE COMMITTEES SHALL SUBMIT A WRITTEN REPORT TO THE LEGISLATURE NOT LATER THAN DECEMBER 1,  
16 2000, THAT MUST INCLUDE RECOMMENDATIONS AND PROPOSED BILL DRAFTS NECESSARY TO IMPLEMENT ANY LEGISLATIVE  
17 PROPOSALS TO STREAMLINE THE FUNCTIONS OF LOCAL GOVERNMENT, INCLUDING COURTS AND A COMPLEMENTARY  
18 FUNDING STRUCTURE BETWEEN STATE AND LOCAL GOVERNMENTS.

19 (7) (A) EACH COMMITTEE IS AUTHORIZED TO REQUEST DIRECTLY FROM ANY AGENCY, BOARD, OR COMMISSION  
20 ANY RELEVANT INFORMATION, SUGGESTIONS, ESTIMATES, AND STATISTICS, AND EACH AGENCY, BOARD, OR COMMISSION  
21 SHALL FURNISH REQUESTED INFORMATION TO THE BEST OF ITS ABILITY.

22 (B) THE COMMITTEES ARE ATTACHED TO THE DEPARTMENT OF ADMINISTRATION FOR ADMINISTRATIVE AND STAFF  
23 PURPOSES. FURTHER, THE COMMITTEES MAY USE REQUEST ASSISTANCE FROM OR THE USE OF THE RESOURCES OF THE  
24 LEGISLATIVE, JUDICIAL, AND EXECUTIVE BRANCH AGENCIES TO ACCOMPLISH THEIR STUDIES.

25 (8) MEMBERS (A) EXCEPT AS PROVIDED IN SUBSECTION (8)(B), MEMBERS OF THE COMMITTEES MUST BE  
26 REIMBURSED IN ACCORDANCE WITH 2-18-501 THROUGH 2-18-503 FOR ACTUAL AND NECESSARY EXPENSES INCURRED  
27 IN ATTENDING MEETINGS OR CONDUCTING COMMITTEE BUSINESS.

28 (B) LEGISLATORS SERVING ON THE COMMITTEES MUST BE REIMBURSED AND COMPENSATED AS PROVIDED FOR  
29 IN 5-2-302 FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN ATTENDING MEETINGS OR CONDUCTING COMMITTEE  
30 BUSINESS.

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**NEW SECTION. SECTION 169. FUNDING -- APPROPRIATIONS.** (1) THE COMMITTEES ESTABLISHED IN [SECTION 180 168] MAY RECEIVE GIFTS, GRANTS, AND DONATIONS. THE MONEY RECEIVED MUST BE USED FOR FULFILLING THE DUTIES OF THE COMMITTEES, FOR REIMBURSING THE EXPENSES OF COMMITTEE MEMBERS, OR FOR PROVIDING STAFF FOR THE COMMITTEES. THE MONEY RECEIVED MUST BE PLACED IN A SPECIAL REVENUE FUND ACCOUNT TO THE CREDIT OF THE DEPARTMENT OF ADMINISTRATION.

(2) IN ADDITION TO ANY FUNDS RECEIVED PURSUANT TO SUBSECTION (1), THERE IS APPROPRIATED \$200,000 \$55,000 FROM THE GENERAL FUND TO THE COMMITTEES CREATED PURSUANT TO THE PROVISIONS OF [SECTION 180 168] FOR THE BIENNIUM FOR THE OPERATING EXPENSES AND PERSONNEL EXPENSES OF THE COMMITTEES.

(3) THERE IS APPROPRIATED TO THE OFFICE OF PUBLIC INSTRUCTION FROM THE GENERAL FUND \$29,020,607 \$1,980,000 FOR BASE AID FOR THE BIENNIUM ENDING JUNE 30, 2001.

(4) THERE IS APPROPRIATED TO THE OFFICE OF PUBLIC INSTRUCTION FROM THE GENERAL FUND \$7,512,257 \$2,229,934 FOR THE RETIREMENT GUARANTEED TAX BASE AID FOR THE BIENNIUM ENDING JUNE 30, 2001 STATE REIMBURSEMENTS FOR MOTOR VEHICLE FEE REDUCTIONS UNDER 61-3-509.

~~(5) THERE IS APPROPRIATED TO THE OFFICE OF PUBLIC INSTRUCTION FROM THE GENERAL FUND \$1,157,266 FOR THE BIENNIUM ENDING JUNE 30, 2001 FOR SCHOOL TRANSPORTATION AID.~~

~~(6)(5) THERE IS APPROPRIATED TRANSFERRED FROM THE GENERAL FUND \$691,246 FOR THE FISCAL YEAR ENDING JUNE 30, 2000, AND \$1,774,042 FOR THE FISCAL YEAR ENDING JUNE 30, 2001, TO THE STATE SPECIAL REVENUE FUND REFERENCED IN [SECTION 1 OF SENATE BILL NO. 79].~~

~~(7) THERE IS APPROPRIATED FROM THE GENERAL FUND \$414,748 FOR THE FISCAL YEAR ENDING JUNE 30, 2000, AND \$1,064,425 FOR THE FISCAL YEAR ENDING JUNE 30, 2001, TO THE STATE SPECIAL REVENUE FUND REFERENCED IN 53-2-813(2).~~

~~(8)(6) THERE IS APPROPRIATED FROM THE GENERAL FUND \$8,563,819 \$12,900,000 FOR THE FISCAL YEAR ENDING JUNE 30, 2000, AND \$29,672,370 \$54,934,392 FOR THE FISCAL YEAR ENDING JUNE 30, 2001, TO THE DEPARTMENT OF ADMINISTRATION REVENUE FOR THE REIMBURSEMENTS CALCULATED IN [SECTION 179 167(1) THROUGH (5)].~~

~~(7) THERE IS APPROPRIATED FROM THE GENERAL FUND \$1.5 MILLION FOR THE BIENNIUM ENDING JUNE 30, 2001, TO THE DEPARTMENT OF REVENUE FOR THE COSTS OF ADMINISTRATION.~~

~~(8) THERE IS APPROPRIATED FROM THE GENERAL FUND \$2.15 MILLION FOR THE BIENNIUM ENDING JUNE 30, 2001, TO THE DEPARTMENT OF REVENUE FOR THE REIMBURSEMENTS CALCULATED IN [SECTION 167(6)].~~

1           (9) THERE IS APPROPRIATED FROM THE GENERAL FUND \$600,000 TO THE DEPARTMENT OF REVENUE FOR THE  
 2 BIENNIUM ENDING JUNE 30, 2001, FOR REIMBURSEMENT TO TAX INCREMENT FINANCING DISTRICTS CREATED PURSUANT  
 3 TO 7-15-4299.

4           (10) THE GOVERNOR SHALL INCLUDE THE SUM OF THE REIMBURSEMENTS IN THIS SECTION IN THE PRESENT LAW  
 5 BASE BUDGET PREPARED FOR THE 57TH LEGISLATIVE SESSION.

6  
 7           NEW SECTION. SECTION 170. COORDINATION INSTRUCTION. (1) IF ANY OF THE FOLLOWING IS PASSED AND  
 8 APPROVED IN A FORM THAT CONTAINS A REIMBURSEMENT MECHANISM FOR LOCAL GOVERNMENT, THEN:

9           (A) IN HOUSE BILL NO. 128:

10           (I) [SECTIONS 19 AND 20], THIRD READING COPY, ARE VOID;

11           (II) [SECTION 18] MUST READ AS FOLLOWS:

12           "NEW SECTION. Section 18. Distribution of retail telecommunications excise tax revenue. After  
 13 retaining an allowance for refunds, retail telecommunications excise tax revenue collected by the department  
 14 must be deposited in the state general fund."

15           (B) IN HOUSE BILL NO. 174, [SECTION 15] OF THE SECOND READING SECOND HOUSE COPY IS VOID; AND

16           (C) IN SENATE BILL NO. 200, [SECTIONS 1 AND 26] OF THE ENROLLED BILL, ARE VOID; AND

17           (D) IN HOUSE BILL NO. 658, ~~SENATE BILL NO. 260~~, OR SENATE BILL NO. 530, ANY SECTION THAT CONTAINS A  
 18 REIMBURSEMENT MECHANISM FOR LOCAL GOVERNMENT IS VOID.

19           (2) IF ~~SENATE BILL NO. 260~~ AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN [SECTION 3] OF ~~SENATE~~  
 20 ~~BILL NO. 260, AMENDING 61-3-509, MUST READ AS FOLLOWS:~~

21           "Section 3. Section 61-3-509, MCA, is amended to read:

22           "61-3-509. Disposition of taxes. (1) Except as provided in subsection (2), the county treasurer shall,  
 23 after deducting the district court fee, credit all taxes on motor vehicles and fees in lieu of tax on motorcycles,  
 24 quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers, buses, trucks having a  
 25 manufacturer's rated capacity of more than 1 ton, and truck tractors collected under 61-3-504, 61-3-521,  
 26 61-3-527, 61-3-529, and 61-3-537, to a motor vehicle suspense fund. At some time between March 1 and March  
 27 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor  
 28 vehicle suspense fund. ~~Except for taxes collected under 61-3-504, the county treasurer shall distribute the money~~  
 29 ~~in the fund~~ in the relative proportions required by the levies for state, county, school district, and municipal  
 30 purposes in the same manner as personal property taxes are distributed. ~~For money in the fund collected under~~



~~61-3-504, the county treasurer shall disregard the statewide mills levied for the university system and the mills levied for state equalization aid under 20-9-360 in determining distribution proportions of the money and may not distribute money from 61-3-504 to the state for either levy. If the distribution of money collected under 61-3-504 to a school district general fund results in a lower revenue than the district received in fiscal year 1999 and the district has, for all years after fiscal year 1999, received less revenue than fiscal year 1999, then the district general fund is entitled to state reimbursement for the amount of the difference between the fiscal year 1999 revenue and the current year distributions of collections under 61-3-504.~~

~~——— (2) The county treasurer shall deduct as a district court fee 7% 10% of the amount of the 2% tax collected on light vehicles under 61-3-504(1). The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time that the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the state special revenue fund to be used for purposes of state funding of district court expenses as provided in 3-5-901."~~

~~(2) IF SENATE BILL NO. 260 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN [SECTION 3] OF SENATE BILL NO. 260, AMENDING 61-3-509, MUST READ AS FOLLOWS:~~

**"61-3-509. Disposition of taxes.** (1) Except as provided in subsection (2), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles and fees in lieu of tax on motorcycles, quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers, buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors collected under 61-3-504, 61-3-521, 61-3-527, 61-3-529, and 61-3-537, to a motor vehicle suspense fund. At some time between March 1 and March 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle suspense fund. Except for taxes collected under 61-3-504, the county treasurer shall distribute the money in the fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed. For money in the fund collected under 61-3-504, the county treasurer shall disregard the statewide mills levied for the university system and the mills levied for state equalization aid under 20-9-360 in determining distribution proportions of the money and may not distribute money from 61-3-504 to the state for either levy. If the distribution of money collected under 61-3-504 to a school district general fund results in a lower revenue than the district received in fiscal year 1999 and the district has, for all years after fiscal year 1999, received less revenue than in fiscal year 1999, then the district general fund is entitled to state reimbursement for the amount of the difference between the fiscal year 1999

1 revenue and the prior school fiscal year revenue under 61-3-504. Prior to January 31, the office of public  
 2 instruction shall distribute to each school district an amount equal to the state reimbursement for the prior school  
 3 year.

4 (2) The county treasurer shall deduct as a district court fee ~~7%~~ 10% of the amount of the ~~2%~~ tax  
 5 collected on light vehicles under 61-3-504(1). The county treasurer shall credit the fee for district courts to a  
 6 separate suspense account and shall forward the amount in the account to the state treasurer at the time that  
 7 the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit  
 8 amounts received under this subsection to the state special revenue fund to be used for purposes of state funding  
 9 of district court expenses as provided in 3-5-901."

10 (3) IF HOUSE BILL NO. 90, SENATE BILL NO. 260, AND [THIS ACT] ARE PASSED AND APPROVED AND AMEND  
 11 20-9-141, THEN SECTION 20-9-141 IN HOUSE BILL NO. 90 IS VOID AND SECTION 20-9-141 MUST READ AS FOLLOWS:

12 "Section 20-9-141, MCA is amended to read:

13 **"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The  
 14 county superintendent shall compute the levy requirement for each district's general fund on the basis of the  
 15 following procedure:

16 (a) Determine the funding required for the district's final general fund budget less the sum of direct state  
 17 aid and the special education allowable cost payment for the district by totaling:

18 (i) the district's nonisolated school BASE budget requirement to be met by a district levy as provided in  
 19 20-9-303; and

20 (ii) any general fund budget amount adopted by the trustees of the district under the provisions of  
 21 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum  
 22 general fund budget.

23 (b) Determine the money available for the reduction of the property tax on the district for the general fund  
 24 by totaling:

25 (i) the general fund balance reappropriated, as established under the provisions of 20-9-104;

26 (ii) ~~amounts received in the last fiscal year for which revenue reporting was required for each of the~~  
 27 ~~following:~~ AMOUNTS RECEIVED IN THE LAST FISCAL YEAR FOR WHICH REVENUE REPORTING WAS REQUIRED FOR EACH OF  
 28 THE FOLLOWING:

29 (A) REVENUE FROM TAXES AND FEES IMPOSED UNDER 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, AND  
 30 67-3-204;

1 (B) INTEREST EARNED BY THE INVESTMENT OF GENERAL FUND CASH IN ACCORDANCE WITH THE PROVISIONS OF  
 2 20-9-213(4); AND

3 (C) ANY OTHER REVENUE RECEIVED DURING THE SCHOOL FISCAL YEAR THAT MAY BE USED TO FINANCE THE  
 4 GENERAL FUND, EXCLUDING ANY GUARANTEED TAX BASE AID;

5 ~~(A)(III)~~ anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321 through  
 6 20-5-323, except the amount of tuition received for a pupil who is a child with disabilities in excess of the amount  
 7 received for a pupil without disabilities, as calculated under 20-5-323(2);

8 ~~(B)(III)(IV)~~ anticipated revenue from taxes and fees imposed under ~~23-2-517, 23-2-803, 61-3-504,~~  
 9 ~~61-3-521, 61-3-527, 61-3-529, AND 61-3-537, and 67-3-204~~ WHICH FOR THE FISCAL YEAR BEGINNING JULY 1, 2000,  
 10 MAY NOT BE LESS THAN 75% OF THE PREVIOUS YEAR'S REVENUE FROM THESE SOURCES;

11 ~~(C)(IV)(V)~~ anticipated oil and natural gas production taxes;

12 ~~(V)(VI)~~ pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703 AND  
 13 PROPERTY TAX REIMBURSEMENTS UNDER 15-1-111, 15-1-112, AND [SECTION 167]; AND

14 ~~(D)(VI)~~ anticipated interest earned by the investment of general fund cash in accordance with the  
 15 provisions of 20-9-213(4);

16 ~~(E)(VII)~~ anticipated revenue from corporation license taxes collected from financial institutions under the  
 17 provisions of 15-31-702; and

18 ~~(F)(VIII)~~ any other revenue received anticipated during the school fiscal year that may be used to finance  
 19 the general fund, excluding any guaranteed tax base aid; and

20 ~~(iii)~~ pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703.

21 (c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property  
 22 tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund  
 23 budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general  
 24 fund BASE budget levy requirement.

25 (d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional  
 26 funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any  
 27 additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.

28 (2) The county superintendent shall calculate the number of mills to be levied on the taxable property  
 29 in the district to finance the general fund levy requirement for any amount that does not exceed the BASE budget  
 30 amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

1 (a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified  
2 by the superintendent of public instruction; and

3 (b) the current total taxable valuation of the district, as certified by the department of revenue under  
4 15-10-202, divided by 1,000.

5 (3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported  
6 to the county commissioners on the fourth Monday of August by the county superintendent as the general fund  
7 net levy requirement for the district, and a levy must be set by the county commissioners in accordance with  
8 20-9-142.

9 (4) For each school district, the department of revenue shall calculate and report to the county  
10 superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross  
11 proceeds under 15-23-703 AND PROPERTY TAX REIMBURSEMENTS UNDER 15-1-111, 15-1-112, AND [SECTION 167].""

12 (4) IF SENATE BILL NO. 454 IS PASSED AND APPROVED, BUT HOUSE BILL NO. 622 IS NOT PASSED AND  
13 APPROVED, THEN SENATE BILL NO. 454 [SECTION 2 OF THE REFERENCE COPY] MUST READ AS FOLLOWS:

14 "NEW SECTION. Section 2. Review of state payments in lieu of taxes. The interim local government  
15 funding and structure committee created under [section 168 of the reference copy of Senate Bill No. 184] shall  
16 include in its study of funding local government a review of state payments in lieu of taxes to local governments  
17 from grazing, agricultural, and forest activities that are self-supporting or that compete with private enterprise."

18 (5) IF HOUSE BILL NO. 622 AND [THIS ACT] ARE BOTH PASSED AND APPROVED AND BOTH BILLS COMMISSION  
19 LOCAL GOVERNMENT AND COURT FUNDING AND STRUCTURE STUDIES THAT ARE SUBSTANTIALLY THE SAME, THEN HOUSE  
20 BILL NO. 622 IS VOID.

21  
22 NEW SECTION. Section 171. Repealer. Sections 7-6-2514, 7-6-4405, and 15-10-412, MCA, are  
23 repealed.

24  
25 NEW SECTION. SECTION 172. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT ARE  
26 SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS  
27 APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID  
28 APPLICATIONS.

29  
30 NEW SECTION. Section 173. Codification instruction. (4) [Section 1] is intended to be codified as

1 an integral part of Title 15, chapter 10, part 4, and the provisions of Title 15, chapter 10, part 4, apply to [section  
2 1].

3 ~~(2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 15, CHAPTER 16, PART 2, AND THE  
4 PROVISIONS OF TITLE 15, CHAPTER 16, PART 2, APPLY TO [SECTION 2].~~

5 ~~———— (3) [SECTION 3] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 7, CHAPTER 6, PART 25, AND THE  
6 PROVISIONS OF TITLE 7, CHAPTER 6, PART 25, APPLY TO [SECTION 3].~~

7  
8 NEW SECTION. Section 174. Effective date ~~DATES DATE.~~ [This ~~(1)~~ EXCEPT AS PROVIDED IN SUBSECTIONS  
9 ~~(2)~~ AND ~~(3)~~, ~~[THIS [THIS act]~~ is effective on passage and approval.

10 ~~(2) [SECTIONS 119, 122, AND 124] ARE EFFECTIVE JULY 1, 1999.~~

11 ~~———— (3) [SECTIONS 123 AND 125] ARE EFFECTIVE JULY 1, 2000.~~

12  
13 NEW SECTION. Section 175. ~~Retroactive applicability~~ **APPLICABILITY RETROACTIVE APPLICABILITY.**  
14 [This act] ~~(1) EXCEPT AS PROVIDED IN SUBSECTION (2), [THIS ACT]~~ applies ~~[SECTIONS 1, 4 THROUGH 90, 92 THROUGH~~  
15 ~~118, 120, 121, AND 126 THROUGH 173]~~ [SECTIONS 1 THROUGH 164] APPLY retroactively, within the meaning of  
16 1-2-109, to ~~property tax levies established for~~ tax years beginning after December 31, 1998.

17 ~~(2) [SECTIONS 2, 3, AND 91] APPLY TO TAX YEARS BEGINNING AFTER DECEMBER 31, 1999.~~

18  
19 NEW SECTION. SECTION 176. TERMINATION. [SECTIONS 122 AND 124] TERMINATE JUNE 30, 2000. [SECTION  
20 167] TERMINATES DECEMBER 31, 2001.

21 - END -

