

## HOUSE BILL NO. 610

INTRODUCED BY BERGREN, NELSON, ROUSH

A BILL FOR AN ACT ENTITLED: "AN ACT MODIFYING THE PUBLIC HEARING PROCEDURES OF WATER AND SEWER DISTRICTS RELATING TO RATE INCREASES; AMENDING SECTION 7-13-2275, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 7-13-2275, MCA, is amended to read:

**"7-13-2275. Procedure relating to ordinances and resolutions -- rates, fees, and charges established.** (1) The ayes and noes must be taken upon the passage of all ordinances or resolutions and entered upon the journal of the proceedings of the board of directors. An ordinance or resolution may not be passed or become effective without the affirmative votes of at least a majority of the total members of the board.

(2) The enacting clause of all ordinances passed by the board must be in these words: "Be it ordained by the board of directors of .... district as follows:"

(3) All resolutions and ordinances must be signed by the president of the board and attested by the secretary.

(4) ~~Prior~~ Except for a CUMULATIVE rate increase of less than or equal to 5% IN ANY YEAR WITHIN A 12-MONTH PERIOD AS PROVIDED IN SUBSECTION (5), prior to the passage or enactment of an ordinance or resolution imposing, establishing, changing, or increasing rates, fees, or charges for services or facilities, the board shall order a public hearing.

(a) Notice of the public hearing must be published as provided in 7-1-2121. The published notice must contain:

(i) the date, time, and place of the hearing;

(ii) a brief statement of the proposed action; and

(iii) the address and telephone number of a person who may be contacted for further information regarding the hearing.

(b) The notice must also be mailed to all persons who own property in the district and to all customers of the district at least 7 days and not more than 30 days prior to the public hearing. The mailed notice must contain an estimate of the amount that the property owner or customer will be charged under the proposed

ordinance or resolution.

(c) Any interested person, corporation, or company may be present, represented by counsel, and testify at the hearing.

(d) The hearing may be continued by the board as necessary. After the public hearing, the board may, by resolution, impose, establish, change, or increase rates, fees, or charges.

(5) A PUBLIC HEARING IS NOT REQUIRED FOR A CUMULATIVE RATE INCREASE OF LESS THAN OR EQUAL TO 5% WITHIN A 12-MONTH PERIOD IF THE BOARD PROVIDES NOTIFICATION OF THE INCREASE TO PERSONS WITHIN THE DISTRICT ON WHOM THE RATE WILL BE IMPOSED AT LEAST 10 DAYS PRIOR TO THE PASSAGE OR ENACTMENT OF THE ORDINANCE OR RESOLUTION IMPLEMENTING THE INCREASE."

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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