SENATE BILL NO. 233

INTRODUCED BY J. ELLIOTT

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE CREATION OF COUNTY MUSEUM DISTRICTS AND ALLOWING FOR A MUSEUM DISTRICT TO BE LOCATED IN MORE THAN ONE COUNTY; PROVIDING FOR PROTEST OF CREATION OF THE DISTRICT; ALLOWING FOR A LEVY OF TAXES ON PROPERTY LOCATED WITHIN A DISTRICT; REQUIRING CERTAIN PROCEDURES IF THE DISTRICT INCLUDES TERRITORY FROM MORE THAN ONE COUNTY; AND AMENDING SECTIONS 7-6-2527 AND 7-16-2205, MCA."

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

<u>NEW SECTION.</u> **Section 1. Authorization to create district.** (1) A board of county commissioners may create a museum district, composed of a building, collection of buildings, or an area of which a principal purpose is the exhibition, display, or performance of matters of historical, artistic, cultural, or scientific interest.

- (2) (a) A district may include territory from more than one county if:
- (i) the majority of the members of the board of county commissioners of each county in which the proposed district is located approve the resolution of intention to create the district and the resolution to create the district; and
- (ii) the required notice is provided, protest is allowed, and hearings are properly held in all of the counties in which the district will be located.
- (b) If there is sufficient protest to bar further proceedings in one county, as provided in [section 5], then territory from that county may not be included in the district.

<u>NEW SECTION.</u> **Section 2. Resolution of intention to create district.** (1) Before creating a museum district, the board of county commissioners shall pass a resolution of intention to create the district.

- (2) The resolution must designate:
- (a) the name of the proposed district;
- (b) the reasons for creating the district;
- (c) a description of the area to be included in the proposed district, including a map of the proposed boundaries;

(d) the type of museum facility or facilities to be included in the proposed district; and

(e) the estimated cost of the proposed district.

<u>NEW SECTION.</u> Section 3. Notice of resolution of intention to create district -- hearing. (1) The board of county commissioners shall give notice of the passage of its intention to create the museum district.

- (2) The notice must be published as provided in 7-1-2121, and a copy of the notice must be mailed, as provided in 7-1-2122, to every person, firm, or corporation or the agent of the person, firm, or corporation owning property within the proposed district, at the last-known place of residence, on the same day on which the notice is first published or posted.
- (3) The notice must describe the reasons for the district, state the estimated cost, and indicate the time when and place where the board will hear all protests that may be made against creating the district. The notice must refer to the resolution on file in the office of the county clerk and recorder for the description of the boundaries.

<u>NEW SECTION.</u> **Section 4. Right to protest.** (1) At any time within 30 days after the date of the first publication of the passage of the resolution of intention to create a museum district, an owner of property liable to be taxed under 7-16-2205 may make written protest against the proposed district.

(2) The protest must be delivered to the county clerk and recorder, who shall endorse on the protest the date of receipt.

NEW SECTION. Section 5. Consideration of protest -- sufficient protest to bar proceedings. (1) At the next regular meeting of the board of county commissioners after final publication of the notice required in [section 3], the board shall hold a hearing to consider the written protests and hear the objections of the protestors.

(2) If the board of county commissioners finds that the owners of 50% or more of the property liable to be taxed under 7-16-2205 have protested creation of a museum district, the board may not hold any further proceedings on creation of the district for a period of at least 6 months from the date of the hearing.

<u>NEW SECTION.</u> **Section 6. Resolution creating district.** The board of county commissioners may pass a resolution to create the museum district in accordance with the resolution of intention passed under [section 2] if:

(1) no protests are received by the county clerk and recorder within the time period provided in [section 4]; or

(2) the board finds that the area represented by the protests is insufficient to bar proceedings.

<u>NEW SECTION.</u> **Section 7. Administration of district funds.** (1) Once a museum district is created, the board of county commissioners may either administer the district funds or appoint a board of trustees, subject to the provisions of 7-1-201 through 7-1-203, to administer the district funds.

- (2) If a district contains territory from more than one county and if:
- (a) the boards of county commissioners administer the district funds, all decisions regarding funds must be made upon an affirmative vote of the majority of the members of each board;
- (b) a board of trustees is appointed, the board of county commissioners of each county in which the district is located shall appoint members of the board of trustees. The number of members appointed by each board of county commissioners must be proportional to the county's share of registered voters TAXABLE VALUE in the entire district.

NEW SECTION. Section 8. Authorization to acquire facilities -- authorization for mill levy. The board of county commissioners may execute the provisions of 7-16-2202 and 7-16-2205 for a museum district created as provided in [sections 1 through 9]. If a district contains territory in more than one county, the affirmative vote of the majority of the members of each board of county commissioners is required to take any action authorized by 7-16-2202 and 7-16-2205.

<u>NEW SECTION.</u> **Section 9. Alteration of boundaries or dissolution of district.** The board of county commissioners may alter the boundaries or dissolve a museum district using the same procedures required for creation of a district. Any existing indebtedness of a district that is dissolved remains the responsibility of the owners of property within the district, and any assets remaining after all indebtedness has been satisfied must be returned to the owners of property within the district.

Section 10. Section 7-6-2527, MCA, is amended to read:

"7-6-2527. Taxation -- public and governmental purposes. A county may impose a property tax levy for any public or governmental purpose not specifically prohibited by law. Public and governmental purposes include but are not limited to:

- (1) district court purposes as provided in 7-6-2511;
- (2) county-owned or county-operated health care facility purposes as provided in 7-6-2512;
- (3) county law enforcement services and maintenance of county detention center purposes as provided in 7-6-2513 and search and rescue units as provided in 7-32-235;
 - (4) multijurisdictional service purposes as provided in 7-11-1106;
 - (5) transportation services for senior citizens and persons with disabilities as provided in 7-14-111;
 - (6) support for a port authority as provided in 7-14-1132;
- (7) county road, bridge, and ferry purposes as provided in 7-14-2101, 7-14-2501, 7-14-2502, 7-14-2503, 7-14-2801, and 7-14-2807;
 - (8) recreational, educational, and other activities of the elderly as provided in 7-16-101;
- (9) purposes of county fair activities, parks, cultural facilities, and any county-owned civic center, youth center, recreation center, or recreational complex as provided in 7-16-2102, 7-16-2109, and 7-21-3410;
- (10) programs for the operation of licensed day-care centers and homes as provided in 7-16-2108 and 7-16-4114:
- (11) support for a museum, facility for the arts and the humanities, or collection of exhibits, <u>or a museum</u> district as provided in 7-16-2205;
 - (12) extension work in agriculture and home economics as provided in 7-21-3203;
 - (13) weed control and management purposes as provided in 7-22-2142;
 - (14) insect control programs as provided in 7-22-2306;
 - (15) fire control as provided in 7-33-2209;
 - (16) ambulance service as provided in 7-34-102;
 - (17) public health purposes as provided in 50-2-111 and 50-2-114;
 - (18) public assistance purposes as provided in 53-3-115;
 - (19) indigent assistance purposes as provided in 53-3-116;
 - (20) developmental disabilities facilities as provided in 53-20-208;
 - (21) mental health services as provided in 53-21-1010;
 - (22) airport purposes as provided in 67-10-402 and 67-11-302;
 - (23) purebred livestock shows and sales as provided in 81-8-504;
 - (24) economic development purposes as provided in 90-5-112; and
 - (25) prevention programs, including programs that reduce substance abuse."

Section 11. Section 7-16-2205, MCA, is amended to read:

"7-16-2205. Authorization for mill levy. (1) The board of county commissioners of any county owning, acquiring, contributing, or making a grant to any museum, facility for the arts and the humanities, or collection of exhibits as set forth in 7-16-2202, whether countywide or as part of a museum district created under [sections 1 through 9]:

- (a) (i) may make an appropriation in its annual budget for the upkeep, care, maintenance, operation, and support of the museum, facility, or collection;
- (ii) may make an appropriation in its annual budget for a grant program for private, nonprofit museums and private, nonprofit facilities for the arts and the humanities; and
- (b) in order to fund the appropriation or grant program, may, subject to 15-10-420, annually levy a tax on the taxable valuation of the property subject to taxation in the county or the district.
 - (2) The levy must be made at the same time as other levies are made for county and school purposes.
- (3) The proceeds from the collection of the levy must be kept in a special fund by the county treasurer and used, at the discretion of the board of county commissioners, solely for the purpose for which the levy was made.
- (4) A board of trustees of a museum district appointed as provided in [section 7] may request the board of county commissioners to submit to the voters of the district at the next general or special election a levy on taxable property in the district for operation of the district or for maintenance or construction within the district."

<u>NEW SECTION.</u> **Section 12. Codification instruction.** [Sections 1 through 9] are intended to be codified as an integral part of Title 7, chapter 16, part 22, and the provisions of Title 7, chapter 16, part 22, apply to [sections 1 through 9].

COORDINATION SECTION. **Section 13. Coordination instruction.** If Senate Bill No. 299 and [this act] are both passed and approved and they contain a section amending 7-16-2205, then the sections amending 7-16-2205 are void and 7-16-2205 must be amended as follows:

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

- (a) (i) may make an appropriation in its annual budget for:
- (i) the upkeep, care, maintenance, operation, and support of the a museum, including a museum district

<u>created under [sections 1 through 9 of Senate Bill No. 233]</u>, <u>a</u> facility <u>for the arts and the humanities</u>, or <u>a</u> collection <u>of exhibits as set forth in 7-16-2202</u>;

(ii) the support of a heritage preservation and cultural tourism commission and for heritage and cultural tourism resources;

- (ii)(iii) may make an appropriation in its annual budget for a grant program for private, nonprofit museums, and for private, nonprofit facilities for the arts and the humanities, or for a heritage preservation and cultural tourism commission; and
- (b) in order to fund the appropriation or grant program, may, subject to 15-10-420, annually levy a tax on the taxable valuation of the property subject to taxation in the county for the purposes described in subsection (1)(a) of this section. However, a levy for a museum district applies only to the property subject to taxation in the district.
 - (2) The levy must be made at the same time as other levies are made for county and school purposes.
- (3) The proceeds from the collection of the levy must be kept in a special fund by the county treasurer and used, at the discretion of the board of county commissioners, solely for the purpose for which the levy was made.
- (4) A board of trustees of a museum district appointed as provided in [section 7 of Senate Bill No. 233] may request the board of county commissioners to submit to the voters of the district at the next general or special election a levy on taxable property in the district for operation of the district or for maintenance or construction within the district."