

SENATE BILL NO. 188

INTRODUCED BY K. REGIER

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A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING THE AUTHORITY OF A LOCAL GOVERNING BODY TO CREATE A SPECIAL IMPROVEMENT DISTRICT WITHOUT ORDERING A REFERENDUM OR RECEIVING A PETITION; AND AMENDING SECTIONS 7-11-1003 AND 7-11-1013, MCA."

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

Section 1. Section 7-11-1003, MCA, is amended to read:

"7-11-1003. Authorization to create special districts. (1) Whenever the public convenience and necessity may require:

(a) the governing body may:

~~—— (i) create a special district by resolution; or~~

~~—— (ii) order a referendum on the creation of a special district to serve the inhabitants of the special district as provided in 7-11-1011; or~~

(b) petitioners may initiate the creation of a special district to serve inhabitants of the special district as provided in subsection (2).

(2) (a) (i) Upon receipt of a petition to institute the creation of a special district that is signed by at least 25% of the registered voters or by the owners of at least 25% of the real property within the boundary of the proposed special district and that is submitted to the clerk of the governing body, the governing body shall order a referendum on the creation of the special district pursuant to 7-11-1011.

(ii) Upon receipt of a petition to institute the creation of a special district that is signed by more than 50% of the registered voters or by the owners of more than 50% of the real property within the boundary of the proposed special district, the governing body shall conduct a public hearing pursuant to 7-11-1007. Following the hearing and if insufficient protests are made as provided in 7-11-1008, the governing body shall order the creation of the special district in accordance with 7-11-1013.

(b) If a proposed special district would be financed by a mill levy, a petition to institute the creation of the special district must be signed by at least 40% of the registered voters or at least 40% of the property taxpayers within the boundary of the proposed district.



1 (c) The form of the petition may be prescribed by the governing body, and the clerk of the governing body
2 shall verify the signatures on the petition.

3 (d) Subject to subsection (2)(c), the petition must:

4 (i) require the printed name of each signatory;

5 (ii) specify whether the signatory is a property taxpayer or owner of real property within the proposed
6 special district and either the street address or the legal description, whichever the signatory prefers, of that
7 property;

8 (iii) describe the type of special district being proposed and the general character of any proposed
9 improvements and program to be administered within the special district;

10 (iv) designate the method of financing any proposed improvements or maintenance program within the
11 special district;

12 (v) include a description of the areas to be included in the proposed special district; and

13 (vi) specify whether the proposed special district would be administered by the local governing body or
14 an appointed or elected board.

15 (3) Within 60 days of receipt of a petition to create a special district, the clerk of the governing body shall:

16 (a) certify that the petition is sufficient under the provisions of subsection (2) and present it to the
17 governing body at its next meeting; or

18 (b) reject the petition if it is insufficient under the provisions of subsection (2).

19 (4) A defect in the contents of the petition or in its title, form of notice, or signatures may not invalidate
20 the petition and subsequent proceedings as long as the petition has a sufficient number of qualified signatures
21 attached."
22

23 **Section 2.** Section 7-11-1013, MCA, is amended to read:

24 **"7-11-1013. Order creating district -- power to implement program.** (1) The governing body shall
25 create a special district and establish assessments or fees if the governing body finds that insufficient protests
26 have been made in accordance with 7-11-1008 or if the eligible registered voters have approved a referendum
27 as provided in 7-11-1011.

28 (2) To create a special district, the governing body shall issue an order or pass an ordinance or
29 resolution in accordance with the resolution of intention introduced and passed by the governing body or in
30 accordance with the terms of the referendum required under 7-11-1011. This must be done within 30 days of the

1 end of the protest period or approval of the referendum.

2 (3) If the governing body creates the special district ~~of its own accord and~~ under 7-11-1003(2)(a)(ii)
3 without a referendum being held, a copy of the order, ordinance, or resolution creating the district, certified by
4 the clerk of the governing body, must be delivered to the clerk and recorder of the county or counties in which
5 the special district is situated and to the secretary of state, who shall issue a certificate of establishment in
6 accordance with 7-11-1012."

7 - END -