Amendment - 1st Reading-white - Requested by: Kenneth Bogner - (S) Local Government - 2023

68th Legislature 2023 Drafter: Joe Carroll, 406-444-3804 SB0376.001.001

1	SENATE BILL NO. 376
2	INTRODUCED BY K. BOGNER
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT REVISING COVENANT LAW; PROVIDING THAT COVENANTS
5	ON RESIDENTIAL PROPERTY MAY NOT PROHIBIT THE OCCUPANCY OR RENTAL OF ACCESSORY
6	DWELLING UNITS OR PROHIBIT THE PROVISION OF CHILD CARE; PROVIDING THAT COVENANTS ON
7	RESIDENTIAL PROPERTY MAY NOT LAST LONGER THAN 5 YEARS UNLESS RERATIFIED BY A
8	MAJORITY OF OWNERS OF PROPERTY SUBJECT TO THE COVENANT; AND PROVIDING AN
9	APPLICABILITY DATE."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	
13	NEW SECTION. Section 1. Prohibitions on covenants on residential property. A covenant on
14	residential property may not:
15	(1) prohibit the occupancy or rental of accessory dwelling units;
16	(2) prohibit the provision of child care.
17	
18	NEW SECTION. Section 2. Affirmation of covenants on residential property. (1) A covenant on
19	residential property may not last longer than 5 years unless:
20	(a) a majority of owners of property subject to a covenant vote to sustain the covenant pursuant to
21	subsection (2); <u>or</u>
22	(b) the covenant provides for a right to reenter or repossess land on account of a breach of the
23	covenant; or
24	(c)(b) the covenant is necessary to the maintenance of shared infrastructure or was required by an
25	approving government entity on establishment of the covenant.
26	(2) A vote to sustain a covenant must extend the covenant 5 years and must be made or recorded
27	in writing, whether on one or more documents.
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- 2023 68th Legislature 202

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1 <u>NEW SECTION.</u> **Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified

as an integral part of Title 70, chapter 17, part 2, and the provisions of Title 70, chapter 17, part 2, apply to

3 [sections 1 and 2].

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5 <u>NEW SECTION.</u> **Section 4. Applicability.** [This act] applies to covenants on residential property filed

on or after [the effective date of the act].

7 - END -

