

1 SENATE BILL NO. 376

2 INTRODUCED BY K. BOGNER

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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."

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

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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.

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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); or

22 ~~(b) the covenant provides for a right to reenter or repossess land on account of a breach of the~~
23 ~~covenant; or~~

24 ~~(e)(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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