

HB 49 Subcommittee: Special Districts

**An interim study of local government
special purpose districts**



**A Report to the 61st Legislature of the
State of Montana by the
HB 49 Subcommittee of the
Education and Local Government Interim Committee**

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HB 49 Subcommittee: Special Districts

An interim study of local government special purpose districts

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Table of Contents

Overview	1
Background	1
Subcommittee Work	2
Recommendations	4

Appendices

Appendix A: HB 49	A-1
Appendix B: Inventory of Existing Special District Statutes	B-1
Appendix C: LC9208	C-1
Appendix D: LC9209	D-1

Overview

HB 49 (Appendix A), approved in the 2007 legislative session, required the Education and Local Government Interim Committee (ELG) to establish a subcommittee to conduct a study of local government special purpose districts. The study was to include a review of current law with regard to special purpose districts, an inventory of existing special purpose districts, and a determination of whether it may be appropriate to consolidate processes for various special purpose districts into one set of statutes. The subcommittee members included legislators and city and county officials. Members were appointed by the ELG's presiding officer, after considering recommendations from the Montana Association of Counties and the Montana League of Cities and Towns, as directed by HB 49.

HB 49 required the Education and Local Government Interim Committee to establish a subcommittee to conduct a study of local government special purpose districts.

Background

The existing set of statutes governing local government special purpose districts in Montana is not uniform. Many districts have differing requirements for their creation, administration, funding, and structure. The 2007 Legislature agreed that this absence of uniformity creates confusion and results in numerous bills being introduced each legislative session to address disparities, differences, and specific situations related to special districts. The Legislature determined that a single set of statutes governing the creation, alteration, dissolution, right of protest, operation, funding, and structure of special purpose districts would simplify and streamline their processes. Ideally, this would improve efficiency and reduce the amount of time and money spent by local governments to administer these districts.

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Subcommittee Work

The subcommittee met on the following dates:

October 2, 2007

December 12, 2007

May 29, 2008

July 29, 2008 (held in Bozeman to accommodate additional public comment)

September 4, 2008

During the course of the subcommittee's work, an inventory of the existing special districts in Montana was conducted. (Appendix B) The subcommittee determined that it's not appropriate, at this time, to consolidate all types of special district processes under one set of statutes. Public library districts, for instance, have a specialized set of statutes that ensures their autonomy from political influence. Water and sewer districts were also removed from consideration because of the complex nature of their administration.

Although total consolidation is beyond the scope of what the subcommittee feels can be accomplished in one interim of work, the subcommittee has identified 15 districts for which it feels consolidation of processes is currently appropriate.

They include:

- Cemetery Districts
- County Fair Commissions, County Fair Districts, and Multicounty Fair Districts
- County Museums, Facilities for the Arts, and Museum Districts
- County Park Districts
- Hospital Districts

- Joint Solid Waste Management Districts
- Local Improvement Districts
- Mosquito Control Districts
- Multijurisdictional Service Districts
- Park Maintenance Districts
- Road Improvement Districts
- Rodent Control Districts
- Rural Fire Districts
- Solid Waste Management Districts
- Television Districts

The subcommittee has identified this list of districts, generally speaking, as "service" districts. Most of the other types of special districts not being considered for consolidation at this time have been identified as "fee" districts. The subcommittee feels that these "fee" districts have an administrative structure that must be vetted more thoroughly than current time allows, before they could be considered for inclusion in a consolidated set of statutes.

The special districts not recommended for inclusion at this time are: business improvement districts, cattle protective districts, conservancy districts, conservation districts, water and sewer districts, planning and zoning districts, drainage districts, grazing districts, irrigation districts, library districts, livestock protective committees, parking districts, resort area districts, rural improvement districts, special improvement districts, lighting districts, street maintenance districts, tax

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increment financing districts, urban transportation districts, water conservation and flood control projects, and weed management districts.

Recommendations

On September 4, 2008, the subcommittee approved two pieces of draft legislation for consideration by the full ELG and, with approval of the ELG, the 2009 Legislature.

The first bill draft, LC9208 (Appendix C), is the "Uniform Act" that would consolidate the processes of creating, administering, funding, and dissolving the above-mentioned 15 special districts under one set of statutes.

The second bill draft, LC9209 (Appendix D), would address two concerns with existing special district statutes. The first change would authorize local governments to sell up to \$1 million in bonds to fund special district programs and improvements through private negotiated sale with local banks. The subcommittee feels that this exemption to the current competitive bidding process would result in cost savings for local governments so that more of the money generated by bonds would go directly toward the program and improvements sought by special districts.

The second proposal in LC9209 is an effort to better track special district boundaries and incorporate them in the state's computer-operated Geographic Information System (GIS). This proposal would require governing bodies that create special districts in the future to submit boundary maps and legal descriptions of those districts to the Departments of Revenue and Administration for inclusion in the GIS database. Because of the expected cost of providing such information for special districts already in existence, the subcommittee proposes requiring existing special districts to submit legal descriptions and boundary maps only when their boundaries are altered.

HOUSE BILL NO. 49

INTRODUCED BY R. HAMILTON

BY REQUEST OF THE EDUCATION AND LOCAL GOVERNMENT INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE EDUCATION AND LOCAL GOVERNMENT INTERIM COMMITTEE TO APPOINT A SUBCOMMITTEE TO CONDUCT A STUDY OF LOCAL GOVERNMENT SPECIAL PURPOSE DISTRICTS; SPECIFYING THE MEMBERSHIP OF THE SUBCOMMITTEE; PROVIDING AN APPROPRIATION; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

WHEREAS, current laws governing special purpose districts are not uniform as to the creation, alteration, dissolution, right of protest, operation, funding, and structure of the districts; and

WHEREAS, this absence of uniformity creates confusion and results in numerous bills being introduced each legislative session to address disparities, differences, and specific situations; and

WHEREAS, a single set of statutes governing the creation, alteration, dissolution, right of protest, operation, funding, and structure of special purpose districts and authorities would simplify and streamline special purpose district processes.

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

NEW SECTION. Section 1. Interim study on local government special purpose districts. (1) The

education and local government interim committee provided for in 5-5-224 shall conduct an interim study of local government special purpose districts. The study must include:

(a) a comprehensive review of current law governing local government special purpose districts, including an inventory of all of the districts and the various processes provided in law specific to those districts;

~~(b) a review of current law governing authorities, such as airport authorities and port authorities, including an inventory of the authorities and the various processes provided in law specific to those authorities;~~

~~(c)(B)~~ a determination of which special purpose districts should be included in the study and which should be excluded;

~~(d)(C)~~ consideration of the needs of cities and counties with regard to special purpose districts;

~~(e)(D)~~ consideration of the appropriateness of consolidating the processes for numerous special purpose



- 1 districts into one statute or set of statutes; and
- 2 ~~(f)~~(E) any other aspect of special purpose districts that the committee determines should be addressed
- 3 to achieve more consistency, clarity, and uniformity in special purpose district statutes.
- 4 (2) (a) The education and local government interim committee shall establish a subcommittee to conduct
- 5 the study and report to the full committee. The subcommittee members must be appointed by the presiding officer
- 6 of the committee, ~~with the concurrence of the vice presiding officer~~. In making appointments of nonlegislative
- 7 members, the presiding officer shall consider recommendations from the Montana association of counties and
- 8 the Montana league of cities and towns. The subcommittee must include:
- 9 (i) four members, two from each political party and two from each house, who are legislators appointed
- 10 to the education and local government interim committee;
- 11 (ii) one county commissioner;
- 12 (iii) one county clerk and recorder;
- 13 (iv) one county treasurer;
- 14 (v) one city manager;
- 15 (vi) one city commissioner or town council member; ~~and~~ AND
- 16 (vii) one town clerk; ~~AND~~
- 17 ~~(VIII) ONE REGIONAL AIRPORT OR PORT AUTHORITY MEMBER.~~
- 18 (b) All of the members of the subcommittee have voting privileges on issues taken up by the
- 19 subcommittee, but the nonlegislative members do not have voting privileges on the education and local
- 20 government interim committee. Any final recommendations and other work products that will be represented as
- 21 being produced or endorsed by the education and local government interim committee must be finally approved
- 22 by the education and local government interim committee.
- 23 (c) Nonlegislative members of the subcommittee must be compensated as provided in 5-5-211(7).
- 24 (3) In conducting the study, the subcommittee shall involve and regularly consult with trustees of special
- 25 purpose districts ~~and board members of airport authorities and port authorities~~.
- 26 (4) The subcommittee may travel to the extent it considers appropriate to achieve an enhanced level of
- 27 public participation in the study.
- 28 (5) The education and local government interim committee shall complete the study by September 15,
- 29 2008, and report to the 61st legislature on its findings and recommendations, including any recommendations
- 30 for legislation.

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NEW SECTION. **Section 2. Appropriation.** There is appropriated from the general fund to the legislative services division ~~\$30,000~~ \$20,000 FOR THE BIENNIUM BEGINNING JULY 1, 2007, for use by the education and local government interim committee for the purposes provided in [section 1].

NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

- END -

Appendix B - Inventory of Existing Special District Statutes

District	Repeal and Replace with Uniform Act	Creation Can governing body initiate?	Election on creation	Protest	Are there provisions for multi-county or multi-jurisdictional district?	Governance	Powers	Finance	Levy taxes ? (Subject to 15-10-420)	Annexation	Withdrawal of land	Dissolution
Business Improvement District Title 7, chapter 12, part 11	No. Provides a funding mechanism as opposed to a service.	No. Governing body must create a district upon receipt of petition signed by the owners of more than 60% of the property proposed for inclusion in the proposed district.	None. Governing body approves creation following petition.			Board of trustees. No less than 5 and no more than 7 owners of property within the district or their assignees are appointed, with approval of the governing body.	General granting of powers: "The board in administering a district has all powers necessary to carry out the functions of the district contained in the ordinance creating it." Specific powers enumerated . (7-12-1131)	Any obligation or debt is not an obligation or debt of the local government that established the district. Debt is solely payable from funds and properties of the district.		Upon petition signed by the owners of more than 60% of the property proposed to be included in the expansion.	No provisions.	Duration specified in resolution to create district. May not be for a period of more than 10 years unless expanded in compliance with provisions for creation of a district.
Cattle Protective Districts Title 81, chapter 6, part 2	No.		Upon receipt of petition, county commissions must designate the district within 30 days.	No provisions.	Yes.	Cattle Protective Committee. Each county wholly or partially in the district is entitled to three members of the district committee chosen in the same manner as a committee formed under part 1.	Powers the same as those enumerated in part 1.	Fee. May recommend the county impose a fee in an amount not to exceed 50 cents per head on all cattle 9 months of age or older.	No provisions.	No provisions.	In district that includes more than one county, cattle owners may petition to remove the area in its county from a district.	By petition signed by the same number and in the same manner as the petition to form the commission.

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Cemetery Districts Title 7, chapter 35, part 21	Yes.	Petition presented to county commissioners. Petition must be signed by not less than 20% of the citizens who are owners of land located in the proposed district and whose names appear as such on the assessment roll.	Election required. A special election must be held in conjunction with a regular or primary election.	No provisions.	No provisions.	Trustees appointed by the board of county commissioners.	Powers and duties established in resolution creating district and general powers enumerated in 7-35-2109.	Bonds, tax levy.	The county commissioners shall annually fix and levy a tax on the taxable value.	A petition signed by 50 or more freeholders within the territory proposed to be annexed must be submitted or a majority of such freeholders if there are less than 100 residing in the area proposed to be annexed. Board makes a decision.		No provisions.
Conser-vancy Districts Title 85, chapter 9, parts 1 through 6	No.		Court orders election after petition and other requirements are met.	No provisions.	Not explicit. However, districts may merge.	Court order establishes number of persons who make up board of directors.	Powers are enumerated in 85-9-403 to 406. Powers to adopt rules, powers over property, and powers over finance.	Rates, fees, and other charges. May issue bonds, however 40% of the qualified electors must vote and 60% of those voting must approve the issue.	Yes. May assess not more than 2 mills for the purpose of meeting obligations. May make an assessment of up to 3 additional mills to pay interest and principal on bonded indebtedness.	Directors petition the court. Court holds hearing and orders or denies the annexation.	Petition initiated by directors or landowners. Court holds hearing and orders or denies the exclusion.	Dissolved by resolution, petition signed by 20% of electors representing 10% of the taxable value of property in the district or by inactivity. After receipt of petition or resolution, court orders an election

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Conservation Districts Title 76, chapter 15, part 1 through 8	No.	Petition. Any 10% of the qualified electors within the proposed district may file a petition with the Department of Natural Resources and Conservation.	Department holds hearing and determines the need for the district. Referendum held to assist department in determining administrative practicality and feasibility. Department determines practicality and feasibility.	Those against formation may voice protest at hearing.	"The boundaries of the district must include the territory determined by the department, but may not include any area included within the boundaries of another conservation district."		Duties enumerated in 76-15-320. Land use regulations require voter approval as established in 76-15-703.	Bonds. State money. Tax levy.	May levy taxes to pay any obligation of the district and to accomplish the purposes of the chapter. Regular or special assessments. Project areas can be determined by petition for which special assessments can be levied. (Protest provisions.)	By petition. If signed by majority, no election required. In referenda, all qualified electors within the proposed additional area are eligible to vote.		
Consolidated Local Government Water Supply and Sewer Districts Title 7, chapter 13, part 30	Yes.	Yes. Governing body.	Created by resolution that is noticed.	Within 30 days after first publication protest must be made. If protests are received from 50% or more of the owners in the proposed district the governing body may not proceed.	No.	Governing body are ex officio commissioners of the district.	"The governing body is responsible for the proper functioning and maintenance of the system."	Loans, service charges. Federal funding.	Governing body, by resolution may levy and assess a tax upon all property in the district as outlined in 7-13-3017.	May make changes as they "consider reasonable and proper."	May not delete land that creates an island of included or excluded land. May not delete area that is contributing to the pollution of an area.	Payment of assessment may not be spread of a term of more than 20 years.

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County Museums, Facilities for the Arts, and Museum Districts Title 7, chapter 16, part 22	Yes.	Yes. Board of county commissioners.	Created by resolution that is noticed.	Yes. Within 30 days after the first publication, written protest may be made. If the owners of 50% or more of the property liable to be taxed protest, the board may not act for at least 6 months.	Yes. A district may include territory from more than one county as outlined in 7-16-2211(2).	Board of trustees appointed by county commissioners or administered by county commissioners.	Administer county museum fund.	Mill levy.		County commissioners may alter the boundaries or dissolve a museum district using the same procedures required for creation of the district.	County commissioners may alter the boundaries or dissolve a museum district using the same procedures required for creation of the district.	County commissioners may alter the boundaries or dissolve a museum district using the same procedures required for creation of the district.
County Parks Districts Title 7, chapter 16, part 24	Yes.	Yes. Created by resolution of intent adopted by county governing body OR a petition signed by 10% or more of the qualified electors of the proposed district.	Question must be submitted to the electors as provided in 15-10-425.	No provisions.	Yes. Actions outlined in 7-16-2411(3).	Governing bodies appoint park district commission. Members serve until successors are elected. Election of commission held in conjunction with the school elections held pursuant to 20-3-304.	General powers with specific powers enumerated in 7-16-2423.	Bonds. Fee assessed on each household. Tax levy.	Yes.		Territory may be withdrawn. Must be initiated in the same manner as the creation of the district. Petition requires 15% of the electorate in the territory. Election. Only the electorate of the territory to be withdrawn may vote on the question.	

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County Planning Title 76, chapter 1, part 1 through 6	No.	Created by resolution that is noticed. Public hearing required.	No election.		"Any city, county, or town or any combination . . . wishing to be represented may, by agreement of the governing body or the bodies then represented on the board, obtain representation on the board." Joint or consolidated planning boards.	County planning board — not less than five members City-county planning board — not less than nine members. City planning board — not less than seven members.	Role of planning board enumerated in 76-1-106.	If adopt growth policy with specific requirements, planning fees may be assessed. Fee may not exceed \$50 for each residential lot or \$250 for each commercial, industrial, or other lot.	Subject to 15-10-420, the board of county commissioners may levy a tax on the taxable value of all taxable property located within the planning district for planning board purposes. (For county, county on behalf of city-county) City also may levy a tax.	Jurisdictional area of city-county planning board may be extended 4 1/2 miles from the limits of cities upon petition signed by 5% or more of the resident freeholders living in excess of 4 1/2 miles and not more than 12 miles.	No provisions.	No provisions.

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County Planning and Zoning Title 76, chapter 2, part 1	No.	Created by petition. If 60% of the affected freeholders petition, the board of county commissioners may create a planning and zoning district.	No election.	Yes. If freeholders representing 50% of the titled property ownership protest the district within 30 days of its creation, the board may not create the district or pursue creation for 1 year. There is also an appeal procedure.	No provisions.	Planning and zoning commission appointed by county commissioners. Commission consists of three commissioners, county surveyor, two citizens, and a county official appointed by county commissioners.	"In general, the planning and zoning commission shall have such powers as may be appropriate to enable it to fulfill its functions and duties to promote county planning and to carry out the purposes of this part."	No provisions.	No provisions.	"Territory that is directly adjacent to an existing planning and zoning district but that is not part of the district may be added to the district subject to the procedures provided in" Title 76, chapter 2, part 1 (76-2-117).	No provisions, but existing nonconforming uses can continue.	No provisions.

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County Water and/or Sewer District Title 7, chapter 13, part 22	Yes.	No. Petition by 10% of the registered voters of the proposed district or by the owners of all real property in the district.	Election must be held in conjunction with a regular or primary election or by mail ballot. If all real property owners sign petition, no election required.	If 40% of all registered voters residing in district vote, and a majority votes in favor, the district is created. Lawsuit challenging creation of district must be commenced within 1 year after the district is organized.	Yes. More than one county or city and county.	Board of directors elected by district.	General powers enumerated in 7-13-2217 to 2218.	Bonds. Terms may not exceed 40 years. Election required to incur bond indebtedness. Refunding bonds, revenue or special assessment bonds don't require an election. Rates, fees, and charges.	In lieu of rates and charges, district may levy special assessments to defray the costs against property in the district.	Proposed addition must go before electors in district enumerated in 7-13-2341.		Upon petition signed by more than 50% of the freeholders of the district as outlined in 7-13-2351.

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County Zoning Title 76, chapter 2, part 2	No.	The board of county commissioners may by resolution establish zoning districts and zoning regulations for all or part of the jurisdictional area. Created by resolution that is noticed. Public hearing required.	No election.		No provisions.	For amending zoning regulations or classification, county commission may appoint a zoning commission composed of at least 5 citizen members appointed at large from the zoning district. Board of adjustments appointed by county commission.	Powers of board of adjustment enumerated in 76-2-223.	No provisions.	No provisions.	No provisions.	No provisions, but nonconforming uses may continue and exceptions may be determined by board of adjustment.	No provisions.
Drainage District Title 85, chapter 8, part 1 through part 6	No.	Created by petition.		Landowners may contest proposed district during hearing on petition for creation.	Territory in a district does not need to be contiguous.	Court or judge makes preliminary appointments to a board of commissioners. Election required for successors.	Commissioners are declared to be public officers. Must examine lands in district and make a report to the court. Emergency powers granted 85-8-368.	Notes or bonds.	Part 6 outlines taxes and assessments.		Land may be excluded as outlined in 85-8-406. Complaint must be filed in district court.	Owners of more than one-half of the lands in a district may present petition to the district court having jurisdiction of the district. The court enters judgement dissolving the district.

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Fair Commission, Multi-county Fair District, Joint Fair Commission Title 7, chapter 21, part 34.	Yes.	Board of county commissioners may create county fair commission. Upon application from fair commission, county may by resolution create a fair district. Board of county commissioners may create a joint fair and civic center commission by resolution.	Created by resolution, hearing by commission.	No provisions.	Yes. "Two or more counties within the state, constituting a contiguous territory, may group themselves together and form a fair district."	Members of respective county fair commissions appoint a board of directors for the fair district. The members of the county fair commission and county building commission constitute the members of a joint fair and civic center commission.		District Fair Fund	Annual levy by board of county commissioners in the district.	A contiguous county or counties forming a territory contiguous to a fair district may be added under the provisions of 7-21-3421	No provisions.	No provisions.
Grazing Districts Title 76, chapter 16, part 1 through 4	No.	No. Three or more persons who own or control property and are livestock operators submit a written statement to the Montana Grass Conservation Commission.	No election. Created by commission following hearing.	Creation must be feasible, beneficial and desirable to the owners of controlling more than 50% of the lands to be included in the district.	No provisions.	Board of directors of a state district.	"manage and exercise the powers of the state district subject to its bylaws and to the regulation of the commission."		No provisions.	A merger may not be made unless consented to by a majority of the members of each merging state district and approved by the commission after a hearing.	A subdivision may not be made unless consented to by a majority of the members in the affected area and approved by the commission after a hearing.	A district, with the written consent of three-fourths of its permitted members, may at any time request the commission to dissolve the state district.

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Hospital District Title 7, chapter 34, part 21	Yes.	Not less than 30% of the qualified electors who are property taxpayers must sign a petition. Clerk & recorder certifies petition, submits to county commissioners. County commissioners hold hearing, refer question to electorate by resolution.	County commissioners can determine whether the election is to be a special election or held during the next general election. Electors are those who live within proposed district.	No provisions.	No. "A public hospital district may contain the entire territory embraced within a county or any portion or subdivision thereof."	Managed by a board of 3 to 5 trustees, elected by the electors of the district. If there is no nomination petition filed for election of a trustee, the county commissioners appoint the position. Terms of office, compensation, vacancies are specified.		Bonds and notes authorized.	"Subject to 15-10-420, the board of county commissioners shall, annually at the time of levying county taxes, fix and levy a tax on the taxable value of all taxable property within the hospital district." (7-34-2152)	Upon receipt of a petition signed by 10% or more of the freeholders in a proposed area to be annexed or a majority of the freeholders if there are fewer than 25.	Any portion may be withdrawn upon receipt of a petition signed by 51% or more of the taxpayers residing in and owning property in the area desired to be withdrawn from the district. Hearing held and board makes decision.	Any time after 5 years from the date any of creation, the district may be dissolved with a petition signed by 51% of the owners of the property owners in the district.

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Irrigation Districts Title 85, chapter 7, part 1 through part 22	No.	Created by petition or in order to cooperate with the United States under federal reclamation laws.		No provisions.	Yes. Part 16 outlines joint operations. Election required following petition for joint operation of district. Electors are the same as those who elect commissioners of irrigation districts.			Revenue bonds. Additional requirements on indebtedness, bonds and bankruptcy enumerated in part 20. Additional bonding requires petition.	Part 21 enumerates requirements for taxes and assessments.		Petition required as outlined in 85-7-1803. Court hearing required.	
Joint Solid Waste Management Districts Title 7, chapter 13, part 3	Yes.	Yes. Two or more governing bodies may create district.	Created by resolution.	Protest provisions the same as solid waste management district.	Yes.	Board of directors appointed by county commissioners.	All powers enumerated in 75-10-112.	Revenue bonds and service charges.	No. (Service charges)	No provisions.	No provisions.	No provisions.

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Library Districts Title 22, chapter 1, part 7	Yes.	Created by a resolution OR by a petition that is signed by not less than 15% of the qualified electors who reside in the proposed district.	Election required. Only qualified electors residing in the proposed district may vote.	No provisions.	Yes. Provisions also included for consolidation of existing libraries and districts.	Governing body of each county with territory in the district jointly appoint the initial members of a board of trustees. After appointment of the initial members, all must be elected by the electors of district.	General powers, with specific duties and powers enumerated in 22-1-707.	Tax levy.	May establish a property tax mill levy for operation and administration of district. A vote on the question of raising or lowering the maximum property tax mill levy in the district may be initiated by petition or resolution by the board of trustees.	To enlarge a district, the same procedures as those followed to create the district must be taken.		Dissolved after an election. Process may be initiated by a petition of 15% of the electorate in the district or by a resolution adopted by the board of trustees or the governing body of the county in which the district is located.

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Livestock Protective Committee Title 81, chapter 6, part 1	No.	Created by petition. Petition must be signed by at least 51% of the owners of cattle in the county, and at least 55% of the cattle in the county must be owned by the petitioners.	No. Created by board of county commissioners.	No provisions.	"The board of county commissioners of any county adjoining a county availing itself of the provision of this part may cooperate in the administration of this part." Joint protective districts outlined in part 2.	County livestock protective committee. Committee also may recommend board of county commissioners appoint a special livestock deputy.	General powers enumerated in 81-6-103.	Fee. May recommend the county impose a fee in an amount not to exceed 50 cents per head on all cattle 9 months of age or older.	No provisions.	No provisions.	No provisions.	Petition signed by at least 51% of the owners of cattle in the county, and at least 55% of the cattle in the county must be owned by the petitioners must be submitted to the county commissioners.
Local Improvement Districts Title 7, chapter 14, part 27	Yes.	No. Petition presented to the board by the owners of two-thirds of the lineal feet of land fronting on the proposed or existing road or by two-thirds of the residents of the proposed district.	After receipt of petition and passage of resolution, meeting between county road super-intendent, land owners and residents required. Those present at the meeting elect a committee of supervisors (3).	No provisions.	No provisions.	Committee of supervisors.	Not specifically enumerated. Committee awards contracts that are executed in the name and on behalf of the county	Local improvement district bonds.	"The board shall levy and cause to be collected an assessment upon all parcels of land specifically benefitted by the laying out, opening, construction, or improvement."	No provisions.	No provisions.	No provisions.

Appendix B - Inventory of Existing Special District Statutes

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Local Water Quality Districts Title 7, chapter 13, part 45	Yes.	Yes. County commissioners.	Both. Created by resolution that is concurred in by city or town council within the proposed district. Commissioners may adopt a resolution causing a referendum to be submitted to the registered voters residing in the proposed district.		Yes. Joint local water quality districts may encompass two or more counties or part of counties, as outlined in 7-13-4527.	Board of directors appointed by commissioners.	Powers enumerated in 7-13-4517. Additional county commission powers also outlined.	Fee rates established by commissioners.	No provisions.	County, by resolution, may make changes in boundaries. Protest provisions apply.	No provisions.	If 20% or more of owners of fee-assessed units in the district petition requesting a referendum for termination or abolishment of a district, referendum must go before electors in district.
Metropolitan Sanitary and/or Storm Sewer District Title 7, chapter 13, part 1	Yes.	Yes. County commissioners. Approved resolution must be sent to executive head of city or town within the proposed district for consideration. If city does not concur, the county can not move forward.	Created by resolution that is noticed.	Within 30 days of the first publication, any property owner liable to be assessed for the work may protest. If protest is made by the owners of more than 50% of the area in the proposed district, the county can't move forward.	No provisions	County commission.	Responsibilities enumerated in 7-13-112. Duties in accepting bids, contracts same as rural improvement districts.	Bonds or warrants. Reserve fund. Tax levy.	Yes. Assess the entire cost of the improvements against the entire district. May, by resolution, fix and establish rates, charges and rentals.	May change boundaries no more than once a year.	No provisions.	Assessment may not be spread over a period that exceeds 20 years.

Appendix B - Inventory of Existing Special District Statutes

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Mosquito Control Districts Title 7, chapter 22, part 24	Yes.	Yes. A resolution of intent adopted by the county commissioners OR petition. A petition must be signed by at least 10% of the qualified electors of the proposed district or 10% of the owners of any property within the boundaries.	No election. Created by resolution or after submission of petition.		Yes. Joint mosquito districts may be created or dissolved in the same manner as provided for in the creation of a district. (7-22-2419)	Mosquito control board appointed by commissioners.	Powers and duties established in resolution and enumerated in 7-22-2415.	Mosquito control fund. Instead of a tax, upon an affirmative vote of a majority of the qualified voters in the district, the board may collect an annual fee from the owners of structures that are benefitted. (Both a tax and a fee may not be used.)	May levy a tax on the taxable value of all taxable property situated in the district.	May be enlarged upon petition by at least 25% of the electors within the adjacent land or 25% of the owners of any property lying within the boundaries of the area proposed to be annexed whose names appear as property owners. (Protest provisions)	No provisions.	Upon petition signed by the owners of 51% of the land in the district and after a hearing, the district may be dissolved.

Appendix B - Inventory of Existing Special District Statutes

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Multijurisdictional Service District Title 7, chapter 11, part 11	Yes.	Established by interlocal agreement, as authorized by ordinance OR established by a petition signed by 15% of the resident property taxpayers of the area proposed for the district in each jurisdiction.	None. Created by ordinance or petition for ordinance.	Within 30 days of the publication of the notice, electors or property owners may protest. If more than 50% of the electors, or the owners of more than 50% of the taxable value of the district protest, the ordinance is void.	Yes. Interlocal agreement.	Administered in accordance with an interlocal agreement among the participating jurisdictions.	Interlocal agreement. Services to be provided are enumerated in 7-11-1102	May appropriate funds derived from other than general tax revenues for the operation of the district.	Yes, local governments authorized to levy property taxes in an amount not to exceed that authorized for the district in the ordinance required for creating the district.	An interlocal agreement may enlarge an existing district, but it may not supersede or void an existing contract or interlocal agreement under which the same service is being provided.	No provisions.	No provisions.
Municipal Zoning Title 76, chapter 2, part 3	No.	City or town council other legislative body may divide the municipality into districts. Governing body provides for manner in which regulations and restrictions and the boundaries of districts are determined.	No election.		Regulations may be extended beyond municipal boundaries (extraterritorial jurisdiction) under certain circumstances. Requirements outlined in 76-2-310-311.	City or town council appoints a zoning commission. Board of adjustments may be appointed	Ordinance may restrict the authority of the board. Powers enumerated in 76-2-323.	No provisions.	No provisions.			

Appendix B - Inventory of Existing Special District Statutes

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Park Maintenance Districts Title 7, chapter 12, part 40	Yes.	City or town may create upon pe-tition from 10% or more of the qualified electors of proposed district.	Created following petition and resolution.	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	Yes. "must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."	"must be formed and operated in the same manner as a special improvement district."
Parking Districts Title 7, chapter 14, part 47	No. Provides a funding mechanism as opposed to a service.	No. Petition signed by all of the real property owners in the proposed district, exclusive of mortgages and other lien holders, governing body adopts resolution of intent. (Governing body of a municipality may establish pedestrian malls.)	Additional requirements if special improvement district bonds are proposed to be issued and secured by revolving fund.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Bonds. Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44. Additional bond requirements enumerated in 7-14-4716-4723. No improvement bonds.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44. Additional requirements regarding off street parking districts enumerated in 7-14-4737.	Procedures to be followed as are provided for special improvement districts outlined in Title 7, chapter 12, parts 41 through 44. Additional requirements regarding off street parking districts enumerated in 7-14-4737.

Appendix B - Inventory of Existing Special District Statutes

District	Repeal and Replace with Uniform Act	Creation Can governing body initiate?	Election on creation	Protest	Are there provisions for multi-county or multi-jurisdictional district?	Governance	Powers	Finance	Levy taxes ? (Subject to 15-10-420)	Annexation	Withdrawal of land	Dissolution
Resort Area Districts Title 7, chapter 6, part 15	No. Provides a funding mechanism as opposed to a service.	No. Electors residing in a resort area may create a district by petition. Petition must be signed by at least 10% of the registered voters in the resort area.	Election must be held in conjunction with a regular or primary election.	No provisions. Those opposed to creation may comment at hearing.	Yes. 7-6-1533 outlines requirements.	Resort area district board elected. County commissioners canvass the returns of the first election of the board. After the election and canvass, the board meets as a canvassing board for the resort area district elections.	Powers enumerated in 7-6-1541.	Limited bonding (based on resort tax).	"If the electors of a resort area have established a resort area district, the district board of directors shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution."	No provisions.	No provisions.	After receiving a petition signed by more than 50% of the electors of the resort area district, the board must hold a hearing. After the hearing, the board must submit the question of dissolution to the electors.
Road Improvement Districts Title 7, chapter 14, part 29	Yes.		Resolution must be mailed to all persons with property in proposed district. Must hold a public hearing on resolution and then act on it.	Yes. District is created 60 days after passage of resolution, unless the owners of property in the district to be assessed for more than 50% of the cost of the proposed work protest its creation.	No provisions.	County commissioners.	Not enumerated.	Assessments. Methods of assessments for improvements outlined in 7-14-2907.	No provisions.	County may alter boundaries using the same procedures required for the creation of district.	County may alter boundaries using the same procedures required for the creation of district.	County may dissolve district using the same procedures required for the creation of the district.

Appendix B - Inventory of Existing Special District Statutes

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Rodent Control Districts Title 7, chapter 22, part 22	Yes.	Upon petition, governing body may create a district. (District may not contain any city or town.) Petition must be signed by 51% of the owners of land in the district.	Created upon submission of petition.	If the owners of at least 51% of the land in the proposed district file written objections, the district may not be created.	Yes. A multicounty district may be created according to 7-22-2233.	Rodent control board appointed by commissioners.	Powers and duties established in resolution and enumerated in 7-22-2216.	Rodent control fund.	May levy a tax on the taxable value of the horticultural, farming, grazing, forest, and railroad lands in the district.	May be enlarged upon petition by at least 51% of the owners of land in the area proposed to be annexed.		Yes. Upon petition signed by the owners of 51% of the land in the district and after a hearing, the district may be dissolved.
Rural Fire Districts Title 7, chapter 33, part 21	Yes	Board of county commissioners may establish in any unincorporated territory, or third-class cities or towns, with some requirements, after receiving a written petition.	Petition must be signed by the owners of 40% or more of the real property in the proposed district and the owners property representing 40% or more of the taxable value of property in the district. Notice of hearing required.	No. However, based on the written request of any real property owner, the boundaries may be altered to add or subtract land adjacent to the proposed boundary line.	District may enter into mutual aid agreements. Two or more rural fire districts may consolidate. (Protest provisions.)	County commissioners may contract with a city, town, or private fire company, other public entity to provide service OR appoint five qualified trustees to govern and manage the fire district. Trustees must be elected following initial terms.	Powers and duties of trustees are enumerated in 7-33-2105.	May borrow money by the issuance of bonds.	Yes.		Withdrawal by owner of individual tract adjacent to municipality.	A petition in writing by the owners of 40% or more of the real property in the district and the owners of property representing 40% or more of the taxable value of property in the area must be presented to the board of trustees.

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Rural Improvement District (Counties) Title 7, chapter 12, part 21	No. Could be addressed through consolidated RID and SID legislation.		Created by resolution that is noticed.		Yes. Board of county commissioners of each county in which any portion of the district is situated involved. (7-12-2121)	County commissioners. In multi-county district, board of three trustees appointed by county commissioners of each county.	Decisions for awarding contracts outlined.	Bonds and warrants. Commissioners may create district reserve account. County may create rural special improvement district revolving fund.	County commissioners assess entire costs of assessments against benefited lots, tracts, or parcels of land in the district, based on benefits received. Five options for method of assessment.	Yes. ". . . the board may take the expense of such work chargeable upon the lots and lands fronting on the improvement or not fronting on the improvement that" are determined to benefit from the proposed project. (7-12-2108)	Property owner may pay the tax or part of the tax under protest.	Unclear. Reference to 7-12-4102 brings in limitations on assessments.

Appendix B - Inventory of Existing Special District Statutes

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Solid Waste Management Districts Title 7, chapter 13, part 2	Yes.	Yes. County Commissioners.	Created by resolution that is noticed. If city or town council is included in district, the executive head of the city or town must approve the district.		Cities and towns may be included in the district if approved by the city or town council.	County commissioners appoint a board of directors.	Board has the powers enumerated in 75-10-112 as well as any additional powers granted in the resolution.	County commission may issue revenue bonds, including refunding bonds, or borrow money. Board establishes fee for service that is assessed on units in the district that are receiving service.	No. (Service charges)	No provisions.	No provisions.	No provisions.

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Special Improvement District (Cities) Title 7, chapter 12, part 41	No. Could be addressed through consolidated RID and SID legislation.	Yes. City or town council create district as outlined in 7-12-4102.	Created by resolution that is noticed.		"A joint resolution of the city and county must be passed agreeing to the terms of the special improvement district prior to passing the resolution. . ." (7-12-4102(4))	City or town council.	Duties in accepting bids, and contracts enumerated.	Bonds and warrants. (Title 7, chapter 12, part 42)	Various options in assessing costs. 1. Assessed valuation option 2. Frontage option 3. Utility service connection option 4. Offstreet parking option	Lands that benefit from improvements may be annexed. (7-12-4109) If property owners representing 40% or more of total projected assessments against properties outside the city protest, properties may not be included.	Property owner may pay the tax or part of the tax under protest.	Assessments for no more than 20 years or 30 years if refunding bonds are issued.
Special provisions for Districts for Lighting Title 7, chapter 12, part 22 (Counties) Title 7, chapter 12, part 43 (Cities)	No. Could be addressed through consolidated RID and SID legislation.	County commissioners may enter into a contract with other persons or corporations to provide light to a district under certain circumstances. City or town council may by resolution form district for lighting streets.	Created by resolution that is noticed.	In a city or town, within 15 days of first publication, any property owner liable for an assessment may protest.	No provisions.	County commission or city or town council.	City or town responsibilities enumerated in 7-12-4308.	City may use bonds and warrants.	In county, cost of maintenance and operating service apportioned among various tracts of land in district. City or town council may assess the costs against property in the district	County may change boundaries not more than once a year. City or town may change boundaries not more than once a year. In a city or town, provisions for assessment of costs on lands adjacent to the city or town enumerated in 7-12-4327.	No provisions.	

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Special provisions for Street Maintenance Districts Title 7, chapter 12, part 44	No. Provides a funding mechanism as opposed to a service.	Yes. City or town council.	Created by resolution that is noticed.		No provisions.	City or town council.	Manner of providing maintenance enumerated in 7-12-4404.	May accept federal loans or financial assistance.	Assessments for the costs and expenses of maintaining streets, alleys, and public place made against all of the property embraced in the district	No provisions.	No provisions.	No provisions. (Part 45?)
Special provisions for Street Parking Districts (Abandonment) Title 7, chapter 12, part 45	No. Provides a funding mechanism as opposed to a service.	City or town council.	Created by resolution that is noticed.	If prior to the resolution hearing date, 40% of the property owners abutting the district protest, the district isn't abandoned.	N/A	City or town council.	N/A	N/A	Following abandonment, property owners are responsible for maintenance.	N/A	N/A	N/A

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Tax Increment Finance District** Title 7, chapter 15 7-15-4282 through 7-15-4292.	No. Provides a funding mechanism as opposed to a service.	Urban renewal plan requirements outlined in 7-15-4216 by resolution. Voter approval required if general obligation bonds used. Industrial district ordinance or technology district ordinance require ordinance and hearing.	Clerk of municipality must file certified copy of each ordinance with department of revenue.	No provisions.	No provisions.	Municipality, with exceptions for urban renewal.	Enumerated in instances of urban renewal. How tax increments may be used by municipality enumerated.	Revenue, general obligation bonds.	Yes.	No, exceptions for urban renewal.	No, exceptions for urban renewal.	Tax increment provision terminates upon 15th year following adoption, with additional requirements enumerated.

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Television Districts Title 7, chapter 13, part 25	Yes.	No. Residents may petition to organize. Petition must be signed by 51% of the registered electors who are residents of the proposed district. Resolution by board of county commissioners required.	No election. County commissioners must hold hearing on petition and adopt a resolution.	Those against creation may protest at the hearing.	Yes. After the examination of the petition, the county clerk and recorder of the county containing the least number of signers, shall transmit the petition to the county clerk and recorder of the county with the most signers.	Board of trustees appointed by county commissioners.	Specific powers of district enumerated in 7-13-2510.	Revenue bonds repaid by rates and charges.	Prescribe tax rates for providing services. County commissioners shall levy tax at request of board.	Procedures outlined in 7-13-2541. Petition signed by 51% of the registered electors in area to be annexed required.	With the approval of the board of trustees, nonbenefitted taxpayers may be exempted.	Upon petition signed by 51% fo the registered electors.
Urban Transportation Districts Title 7, chapter 14, part 2	Yes.	No. Petition signed by not less than 20% of the registered electors in the proposed district required.	Special election or election in conjunction with regular or primary election or by mail ballot.	No provisions.	Not explicit.	Board of directors. Commissioners and governing bodies of each city or town in the district determine if the board is elected or appointed.	General powers: "all powers necessary and proper to the establishment , operation, improvement, maintenance, and administration of the transportation district."	General obligation or revenue bonds.	May fix and levy a tax in mills upon all property within the district.	Property owner may petition for inclusion. Inclusion must be approved by majority of board.	If area does not receive transportation services from the district and 51% of the qualified voters in the areas sign a petition requesting removal.	If a petition signed by at least 51% of the qualified voters of the district petition county dissolves district.

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Water Conservation and Flood Control Projects Title 76, chapter 5, part 11	No.	Yes. "Cities, towns, or counties, through their councils, boards of county commissioners, or other governing body, are hereby empowered, either in the establishment of water conservation and flood control projects."	No election.	No provisions	No provisions.	Governing body.	Establish water conservation and flood control projects for the protection or reclamation of property or for conservation, development, storage, distribution, drainage, and utilization of water for beneficial uses.	Rates, fees, tolls or rent. Bonds (election requirements outlined in Title 7)	May levy an annual special assessment against all real property in the areas benefitting from such a system.	Boundaries may not be extended without the vote of a majority of the electors residing in the area proposed to be annexed.	No provisions.	No provisions.
Weed Management Districts Title 7, chapter 22, part 21	No. Mandated in every county through state law.	Yes. Mandated by state that every county shall form a weed management district.	Created by resolution, mandate outlined in 7-22-2102.	No provisions.	Yes. "A weed management district may include more than one county through agreement of the commissioners of the affected counties."	Commissioners appoint a district weed board.	Resolution creating a district may outline additional powers and duties beyond those enumerated in 7-22-2109.	Noxious Weed Fund: 1. State and federal funding. 2. Levy and assessment of taxes 3. General fund. 4. Proceeds from work or chemical sales.	Yes.	N/A	N/A	N/A

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As of: September 5, 2008 (8:01am)

Appendix C

LC9208

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act GENERALLY REVISING THE LAWS RELATING TO SPECIAL DISTRICTS; ALLOWING FOR THE CREATION OF SPECIAL DISTRICTS BY LOCAL GOVERNMENTS WORKING INDIVIDUALLY AND JOINTLY; ESTABLISHING UNIFORM STANDARDS FOR THE CREATION, ADMINISTRATION, AND OPERATION OF SPECIAL DISTRICTS BY GOVERNING BODIES AND ELECTED OR APPOINTED BOARDS; ELIMINATING SPECIFIC PROVISIONS RELATING TO CEMETERY DISTRICTS, COUNTY MUSEUMS, FACILITIES FOR THE ARTS, AND MUSEUM DISTRICTS, COUNTY PARK DISTRICTS, COUNTY FAIR COMMISSIONS, COUNTY FAIR DISTRICTS, AND MULTICOUNTY FAIR DISTRICTS, HOSPITAL DISTRICTS, JOINT SOLID WASTE MANAGEMENT DISTRICTS, LOCAL IMPROVEMENT DISTRICTS, MOSQUITO CONTROL DISTRICTS, MULTIJURISDICTIONAL SERVICE DISTRICTS, PARK MAINTENANCE DISTRICTS, ROAD IMPROVEMENT DISTRICTS, RODENT CONTROL DISTRICTS, RURAL FIRE DISTRICTS, SOLID WASTE MANAGEMENT DISTRICTS, AND TELEVISION DISTRICTS; AMENDING SECTIONS 7-1-201, 7-1-202, 7-2-4734, 7-3-122, 7-3-1345, 7-4-2711, 7-6-204, 7-6-621, 7-6-2512, 7-6-2527, 7-7-2101, 7-11-1102, 7-11-1112, 7-13-2511, 7-13-2512, 7-14-2138, 7-16-2105, 7-16-2109, 7-21-3411, 7-22-2512, 7-33-2403, 7-34-2102, 7-34-2122, 7-34-2201, 7-34-2417, 10-3-202, 10-3-209, 10-3-902, 10-3-1103, 15-6-201, 20-15-403, 40-6-402, 46-18-261, 50-78-102, 53-30-503, 61-8-102, 70-30-102, AND 76-13-104, MCA; REPEALING SECTIONS 7-11-1101, 7-11-1105, 7-11-1106, 7-11-1107, 7-11-1111, 7-12-4001, 7-13-201, 7-13-202, 7-13-203, 7-13-

Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

204, 7-13-205, 7-13-206, 7-13-207, 7-13-208, 7-13-209, 7-13-210,
7-13-211, 7-13-212, 7-13-213, 7-13-215, 7-13-216, 7-13-217, 7-13-
218, 7-13-231, 7-13-232, 7-13-233, 7-13-234, 7-13-235, 7-13-236,
7-13-237, 7-13-301, 7-13-302, 7-13-303, 7-13-304, 7-13-305, 7-13-
306, 7-13-307, 7-13-308, 7-13-309, 7-13-310, 7-13-311, 7-13-2501,
7-13-2502, 7-13-2503, 7-13-2504, 7-13-2505, 7-13-2506, 7-13-2507,
7-13-2508, 7-13-2509, 7-13-2510, 7-13-2521, 7-13-2527, 7-13-2528,
7-13-2529, 7-13-2541, 7-13-2542, 7-14-2701, 7-14-2702, 7-14-2703,
7-14-2704, 7-14-2705, 7-14-2706, 7-14-2707, 7-14-2708, 7-14-2709,
7-14-2710, 7-14-2711, 7-14-2712, 7-14-2713, 7-14-2714, 7-14-2715,
7-14-2716, 7-14-2717, 7-14-2718, 7-14-2719, 7-14-2720, 7-14-2721,
7-14-2731, 7-14-2732, 7-14-2733, 7-14-2734, 7-14-2735, 7-14-2736,
7-14-2737, 7-14-2738, 7-14-2739, 7-14-2740, 7-14-2741, 7-14-2742,
7-14-2743, 7-14-2744, 7-14-2745, 7-14-2746, 7-14-2751, 7-14-2752,
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7-14-2902, 7-14-2903, 7-14-2907, 7-14-2908, 7-16-2201, 7-16-2202,
7-16-2203, 7-16-2205, 7-16-2211, 7-16-2212, 7-16-2213, 7-16-2214,
7-16-2215, 7-16-2216, 7-16-2217, 7-16-2218, 7-16-2219, 7-16-2401,
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7-16-2443, 7-21-3401, 7-21-3406, 7-21-3407, 7-21-3408, 7-21-3409,
7-21-3410, 7-21-3412, 7-21-3413, 7-21-3421, 7-21-3422, 7-21-3423,
7-21-3424, 7-21-3425, 7-21-3426, 7-21-3427, 7-21-3428, 7-21-3429,
7-21-3430, 7-21-3431, 7-21-3432, 7-21-3433, 7-21-3434, 7-21-3435,
7-21-3451, 7-21-3452, 7-21-3453, 7-21-3454, 7-21-3455, 7-21-3456,
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As of: September 5, 2008 (8:01am)

Appendix C

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7-22-2211, 7-22-2212, 7-22-2213, 7-22-2214, 7-22-2215, 7-22-2216,
7-22-2221, 7-22-2222, 7-22-2223, 7-22-2224, 7-22-2225, 7-22-2226,
7-22-2231, 7-22-2232, 7-22-2233, 7-22-2401, 7-22-2402, 7-22-2403,
7-22-2405, 7-22-2408, 7-22-2409, 7-22-2410, 7-22-2411, 7-22-2415,
7-22-2416, 7-22-2417, 7-22-2418, 7-22-2419, 7-22-2420, 7-22-2431,
7-22-2432, 7-22-2433, 7-22-2434, 7-22-2441, 7-22-2442, 7-22-2443,
7-22-2444, 7-22-2445, 7-22-2446, 7-22-2447, 7-22-2448, 7-33-2101,
7-33-2102, 7-33-2103, 7-33-2104, 7-33-2105, 7-33-2106, 7-33-2107,
7-33-2108, 7-33-2109, 7-33-2110, 7-33-2111, 7-33-2120, 7-33-2125,
7-33-2126, 7-33-2127, 7-33-2128, 7-33-2129, 7-33-2141, 7-33-2142,
7-33-2143, 7-33-2144, 7-34-2101, 7-34-2103, 7-34-2104, 7-34-2105,
7-34-2106, 7-34-2107, 7-34-2108, 7-34-2109, 7-34-2110, 7-34-2111,
7-34-2112, 7-34-2113, 7-34-2114, 7-34-2115, 7-34-2116, 7-34-2117,
7-34-2118, 7-34-2119, 7-34-2120, 7-34-2121, 7-34-2123, 7-34-2131,
7-34-2132, 7-34-2133, 7-34-2137, 7-34-2138, 7-34-2151, 7-34-2152,
7-34-2153, 7-34-2154, 7-34-2155, 7-34-2156, 7-34-2157, 7-34-2158,
7-34-2159, 7-34-2160, 7-34-2161, 7-34-2162, 7-34-2163, 7-34-2164,
7-35-101, 7-35-102, 7-35-2101, 7-35-2102, 7-35-2103, 7-35-2104,
7-35-2105, 7-35-2106, 7-35-2107, 7-35-2108, 7-35-2109, 7-35-2110,
7-35-2111, 7-35-2112, 7-35-2113, 7-35-2114, 7-35-2115, 7-35-2116,
7-35-2121, 7-35-2122, 7-35-2123, 7-35-2124, 7-35-2125, 7-35-2201,
7-35-2202, 7-35-4101, 7-35-4103, 7-35-4105, 7-35-4106, 7-35-4107,
7-35-4108, AND 7-35-4109, MCA; AND PROVIDING AN EFFECTIVE DATE."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Purpose.** The purpose of [sections

1 through 20] is to allow for the creation and governance of special districts.

NEW SECTION. **Section 2. Definitions.** As used in [sections 1 through 20 and 62], the following definitions apply:

(1) "Governing body" means the legislative authority of a local government.

(2) "Local government" means any city, town, county, or consolidated city-county government or any combination of these acting jointly.

(3) "Special district" means a unit of local government, authorized by law to perform a single function or a limited number of functions.

(a) The term includes but is not limited to cemetery districts, museum districts, park districts, fair districts, hospital districts, solid waste districts, local improvement districts, mosquito control districts, multijurisdictional districts, road districts, rodent control districts, rural fire districts, television districts, and districts created for any public or governmental purpose not specifically prohibited by law. The term also includes any district or other entity formed to perform a single or limited number of functions by interlocal agreement.

(b) The term does not include business improvement districts, cattle protective districts, conservancy districts, conservation districts, water and sewer districts, planning and zoning districts, drainage districts, grazing districts,

irrigation districts, library districts, livestock protective committees, parking districts, resort area districts, rural improvement districts, special improvement districts, lighting districts, street maintenance districts, tax increment financing districts, urban transportation districts, water conservation and flood control projects, and weed management districts.

NEW SECTION. **Section 3. Authorization to create special districts.** (1) Whenever the public convenience and necessity may require:

(a) the governing body may create a special district to serve the inhabitants of the special district; or

(b) petitioners may initiate the creation of a special district to serve inhabitants of the special district.

(2) (a) Subject to subsection (2) (b), a petition to institute the creation of a special district must be signed by 40% of registered voters or 40% of owners of real property within the boundary of the proposed special district and submitted to the clerk of the governing body.

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

(c) The form of the petition may be prescribed by the governing body.

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

- (i) require the printed name of each signatory;
- (ii) specify whether the signatory is a property taxpayer or owner of real property within the proposed special district and the address of that property;
- (iii) describe the type of special district being proposed and the general character of any proposed improvements and program to be administered within the special district;
- (iv) designate the method of financing any proposed improvements and program within the special district;
- (v) include a general description of the areas to be included in the proposed special district; and
- (vi) specify whether the proposed special district would be administered by the local governing body or an appointed or elected board.

(3) Within 30 days of receipt of a petition to create a special district, the clerk of the governing body shall:

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

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

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

NEW SECTION. Section 4. Determining special district

boundaries. The boundaries of the proposed special district must be mapped and clearly described before the district may be approved.

(1) The governing body or petitioners shall consult with a professional land surveyor, as defined in 37-67-101, to prepare a legal description of the boundaries for the proposed special district.

(2) The boundaries must follow property ownership, precinct, school district, municipal, and county lines as far as practical.

NEW SECTION. **Section 5. Public hearing -- resolution of intention to create special district.** (1) The governing body shall hold at least one public hearing concerning the creation of a proposed special district prior to the passage of a resolution of intention to create the special district. A resolution of intention to create a special district may be based upon a decision of the governing body or upon a petition that contains the required number of signatures.

(2) The resolution must designate:

(a) the proposed name of the special district;

(b) the necessity for the proposed special district;

(c) a general description of the territory or lands to be included within the proposed special district, giving the boundaries of the proposed special district;

(d) the general character of any proposed improvements and the proposed location for the proposed program or improvements;

(e) the estimated cost and method of financing the proposed

program or improvements;

(f) any requirements specifically applicable to the type of special district; and

(g) whether the proposed special district would be administered by the governing body or an appointed or elected board.

(3) (a) The governing body shall publish notice of passage of the resolution of intention to create a special district as provided in 7-1-2121 and 7-1-2122 or 7-1-4127 and 7-1-4129, as applicable. The notice must contain a notice of a hearing and the time and place where the hearing will be held.

(b) At the same time that notice is published pursuant to subsection (3) (a), the governing body must provide a list of those properties subject to potential assessment, fees, or taxation under the creation of the proposed special district. The list may not be distributed or sold for use as a mailing list in accordance with 2-6-109.

(c) A copy of the notice described in subsection (3) (a) must be mailed to the owners of the property included on the list referenced in subsection (3) (b).

NEW SECTION. Section 6. Right to protest -- procedure -- hearing. (1) An owner of property liable to be assessed for the program or improvements in the proposed special district has 30 days from the date of the first publication of the notice of passage of the resolution of intention to make a written protest against the proposed program or improvements.

(2) The protest must be in writing, identify the property in the district owned by the protestor, be signed by all of the owners of that property, and be delivered to the appropriate county clerk or city clerk, who shall endorse on the protest the date of receipt.

(3) (a) For purposes of this section, "owner" means, as of the date a protest is filed, the record owner of fee simple title to the property.

(b) The term does not include a tenant of or other holder of a leasehold interest in the property.

(4) An owner of property created as a condominium may protest pursuant to the provisions in [section 18].

(5) (a) At the hearing provided for in [section 5], the governing body shall consider all protests.

(b) In determining the sufficiency of protest, each protest must be weighted in proportion to the amount of the assessment to be levied against the lot or parcel with respect to which it is made.

(c) If the protest against the proposed program or improvements is made by the owners of more than 50% of the proposed method of assessment in the proposed special district, further proceedings may not be taken by the governing body for at least 12 months.

(d) In determining whether or not sufficient protests have been filed in the proposed special district to prevent further proceedings, property owned by a governmental entity must be considered the same as any other property in the district.

(e) The decision of the governing body is final and conclusive.

(f) The governing body may adjourn the hearing from time to time.

NEW SECTION. **Section 7. Referendum -- election.** (1) The governing body may order a referendum on the creation of the proposed special district to be submitted to the registered voters who reside within the proposed special district and the individuals qualified to vote pursuant to subsections (5) and (6).

(2) The referendum must state:

(a) the type and maximum rate of the initial proposed assessments or fees that would be imposed, consistent with the requirements of [sections 5(2)(e), 12(3), and 15];

(b) the type of activities proposed to be financed, including a general description of the program or improvements;

(c) a general description of the areas included in the proposed special district; and

(d) whether the proposed special district would be administered by the governing body or an appointed or elected board.

(3) The referendum must be held in conjunction with a regular or primary election or must be conducted by mail ballot election as provided in Title 13, chapter 19.

(4) The proposition to be submitted to the electorate must read: "Shall the proposition to organize (name of proposed

special district) be adopted?"

(5) An individual is entitled to vote on the proposition if the individual:

(a) meets all qualifications required of electors under the general election laws of the state; and

(b) is a resident of or owner of taxable real property in the area subject to the proposed special district.

(6) An individual who is the owner of real property described in subsection (5) (b) need not possess the qualifications required of an elector in subsection (5) (a) if the individual is qualified to vote in any county of the state and files proof of registration with the election administrator at least 20 days prior to the referendum in which the individual intends to vote.

(7) The referendum must be conducted, the vote canvassed, and the result declared in the same manner as provided by Title 13 in respect to general elections, so far as it is applicable, except as provided in subsection (3).

(8) If the referendum passes, the election administrator of each county shall:

(a) immediately file with the secretary of state a certificate stating that the proposition was adopted and record the certificate in the office of the clerk and recorder of the county or counties in which the special district is situated; and

(b) notify any municipalities lying within the boundaries of the special district.

NEW SECTION. **Section 8. Certificate of establishment.** (1)

Upon receipt of the certificate referred to in [section 7(8)], the secretary of state shall, within 10 days, issue a certificate reciting that the specified district has been established according to the laws of the state of Montana. A copy of the certificate must be transmitted to and filed with the clerk of the county or counties in which the district is situated.

(2) When the certificate is issued by the secretary of state, the district named in the certificate is established with all the rights, privileges, and powers set forth in [section 12].

NEW SECTION. **Section 9. Order creating district -- power to implement program.** (1) The governing body may create a special district and establish assessments or fees if the governing body finds that insufficient protests have been made in accordance with [section 6] or if the eligible registered voters have approved a referendum as provided in [section 7].

(2) To create a special district, the governing body shall issue an order or pass an ordinance or resolution in accordance with the resolution of intention introduced and passed by the governing body or in accordance with the terms of the referendum. This must be done within 30 days of the end of the protest period or the referendum.

(3) If the governing body creates the special district of its own accord and without a referendum being held, a copy of the order, ordinance, or resolution creating the district, certified by the clerk of the governing body, must be delivered to the

clerk and recorder of the county or counties in which the special district is situated and to the secretary of state, who shall issue a certificate of establishment in accordance with [section 8].

NEW SECTION. **Section 10. Additional reporting procedures - coordination of information collection, transfer, and**

accessibility. (1) Within 60 days of the creation of a special district or by the following January first, whichever comes first, the governing body shall provide:

- (a) a legal description of the special district;
- (b) a map of its boundaries; and
- (c) a list of the property taxpayers or owners of real

property within the special district's boundaries to the department of revenue.

- (2) The department of revenue shall record the:
 - (a) legal description of the special district;
 - (b) date of the creation of the special district; and
 - (c) the book and page or document number of the recorded

document as provided for in 7-4-2617.

(3) (a) The department of revenue shall transfer information collected pursuant to this section to the department of administration.

(b) The department of revenue shall coordinate with the department of administration to develop procedures regarding the collection and transfer of special district information between the two agencies.

(c) The department of administration shall convert special district information received from the department of revenue to a digital format for land information purposes authorized in Title 90, chapter 1, part 4, that can be accessed through the department's Base Map Service Center's website and discovered through the Montana Geographical Information System portal at the Montana State Library.

NEW SECTION. **Section 11. Limitations on lawsuits.** (1) A finding of the governing body in favor of the genuineness and sufficiency of the petition or election is final and conclusive against all persons except the state of Montana upon suit brought by the attorney general.

(2) A lawsuit filed by the attorney general must be filed by the earlier of:

(a) 1 year after the order, ordinance, or resolution creating the special district is approved by the governing body; or

(b) the issuance of bonds to implement the program or improvements approved for the special district.

NEW SECTION. **Section 12. Governance -- powers and duties.** (1) A special district must be administered and operated either by the governing body or by a separate elected or appointed board as determined by the governing body.

(2) (a) If the special district is governed by a separate board, the board must be established in accordance with Title 7,

chapter 1, part 2, and specific powers and duties granted to the board and those specifically withheld must be stated.

(b) The governing body may grant additional powers to the board. This includes the authorization to use legal counsel, either by private contract or the attorney of the governing body. If a private contract is used, notice must be provided to the attorney of the governing body.

(c) The governing body has ultimate authority under this subsection.

(3) The entity chosen to administer the special district, as provided in subsection (1), may:

(a) implement a program and order improvements for the special district designed to fulfill the purposes of the special district;

(b) administer the budget of the special district;

(c) employ personnel;

(d) purchase, rent, or lease equipment, personal property, and material necessary to develop and implement an effective program;

(e) cooperate or contract with any corporation, association, individual, or group of individuals, including any agency of federal, state, or local government, in order to develop and implement an effective program;

(f) receive gifts, grants, or donations for the purpose of advancing the program and, by gift, deed, devise, or purchase, acquire land, facilities, buildings and material necessary to implement the purposes of the special district;

(g) construct and maintain facilities and buildings necessary to accomplish the purposes of the special district;

(h) provide grants to private, nonprofit entities as part of implementing an effective program;

(i) adopt a seal and alter it at the entity's pleasure;

(j) administer local ordinances as appropriate;

(k) establish district capital improvement funds, pursuant to 7-6-616, and maintenance and debt service funds; and

(l) borrow money by the issuance of:

(i) general obligation bonds as authorized by the governing body pursuant to chapter 6, part 40, of this title and the appropriate provisions of Title 7, chapter 7, part 22 or part 42; or

(ii) revenue bonds for the lease, purchase, and maintenance of land, facilities, and buildings and the funding of projects in the manner and subject to the appropriate provisions of Title 7, chapter 7, part 25 or part 44.

(4) The entity chosen to administer the special district, as provided in subsection (1), must submit annual budget and work plans to the governing body for review and approval.

(5) The right to exercise eminent domain pursuant to 70-30-102 is limited to cemetery districts.

NEW SECTION. **Section 13. Multiple jurisdictions.** (1) A special district created by a combination of local governments acting together must be administered according to an interlocal agreement. The interlocal agreement may determine whether the

administrative body of the special district consists of the entire membership of all governing bodies from the participating jurisdictions or representatives of each governing body or jurisdiction.

(2) A special district created by a combination of local governments acting together may enlarge an existing service district, but may not supersede or void an existing contract, district, or interlocal agreement under which the same service is currently provided to residents of one or more of the participating jurisdictions. The local governments acting together may agree to alter an existing contract, district, or interlocal agreement as necessary.

(3) The local governments shall proportionally share the ownership of real or personal property acquired by the district pursuant to their interlocal agreement.

NEW SECTION. Section 14. Alteration of special districts.

(1) The governing body may change by resolution the boundaries of any special district.

(2) The boundaries may be altered by petition, by complying with the requirements for petitions as provided in [section 3].

(3) Alteration is also subject to procedures for public notice, protest, referendum, certification, reporting and establishment of assessment set forth in [sections 4 through 11 and 15].

(4) Changes made to the boundaries may not:

(a) occur more than once per year, unless the governing body

makes a special finding that an alteration is necessary;

(b) delete any portion of the area if the deletion will create an island of included or excluded lands;

(c) delete any portion of the area that is negatively contributing or may reasonably be expected to negatively contribute to environmental impacts that fall within the scope of the special district's program; and

(d) affect indebtedness existing at the time of the change.

NEW SECTION. **Section 15. Financing for special district.**

(1) The governing body shall make assessments or impose fees for the costs and expenses of the special district based upon a budget proposed by the governing body or separate board administering the district pursuant to [section 12].

(2) For the purposes of this section, "assessable area" means the portion of a lot or parcel of land that is benefitted by the special district. The assessable area may be less than but may not exceed the actual area of the lot or parcel.

(3) The governing body shall assess the percentage of the cost of the program or improvements against the entire district as follows:

(a) each lot or parcel of land within the special district may be assessed for that part of the cost that its assessable area bears to the assessable area of the entire special district, exclusive of roads, streets, avenues, alleys, and public places;

(b) if the governing body determines that the benefits derived from the program or improvements by each lot or parcel

are substantially equivalent, the cost may be assessed equally to each lot or parcel located within the special district without regard to the assessable area of the lot or parcel;

(c) each lot or parcel of land, including the improvements on the lot or parcel, may be assessed for that part of the cost of the special district that its taxable valuation bears to the total taxable valuation of the property of the district;

(d) each lot or parcel of land may be assessed based on the lineal front footage of any part of the lot or parcel which is in the district and abuts the area to be improved or maintained;

(e) each lot or parcel of land within the district may be assessed for that part of the cost that the reasonably estimated vehicle trips generated for a lot or parcel of its size in its zoning classification bear to the reasonably estimated vehicle trips generated for all lots in the district based on their size and zoning classification; or

(f) any combination of the assessment options provided in subsections (3)(a) through (3)(e) may be used for the special district as a whole or for any lot or parcel within the special district.

(4) If property created as a condominium is subject to assessment, each unit within the condominium is considered a separate parcel of real property subject to separate assessment and the lien of the assessment. Each unit must be assessed for the unit's percentage of undivided interest in the common elements of the condominium. The percentage of the undivided ownership interest must be as set forth in the condominium

declaration.

NEW SECTION. **Section 16. Notice of resolution for**

assessment -- assessment. (1) The governing body shall estimate, as near as practicable, the cost of each established special district annually by the later of the second Monday in August or within 45 calendar days after receiving certified taxable values from the department of revenue.

(2) The governing body shall pass and finally adopt a resolution specifying the special district assessment option and levying and assessing all the property within the special district with an amount equal to the annual cost of the program and improvements.

(3) The resolution levying the assessment to defray the cost of the special district must contain or refer to a list that describes the lot or parcel of land assessed with the name of the owner of the lot or parcel, if known, and the amount assessed.

(4) The resolution must be kept on file in the office of the clerk of the governing body.

(5) A notice, signed by the clerk of the governing body, stating that the resolution levying a special assessment or changing the method of assessment to defray the cost of the special district is on file in the clerk's office and subject to inspection must be published as provided in 7-1-2121 or 7-1-4127. The notice must state the time and place at which objections to the final adoption of the resolution will be heard by the governing body and must contain a statement setting out the

method of assessment being proposed for adoption or the change in assessment being proposed for adoption. The time for the hearing must be at least 5 days after the final publication of the notice.

(6) The notice and hearing process may be included in the local government's general budgeting process as provided in Title 7, chapter 6, part 40.

(7) At the time set, the governing body shall meet and hear all objections that may be made to the assessment or any part of the assessment, may adjourn from time to time for that purpose, and may by resolution modify the assessment.

(8) A copy of the resolution, certified by the clerk of the governing body, must be delivered to the department of revenue at the same time and in the same manner as other taxes and assessments are provided and to the treasurer or financial officer of the local government.

NEW SECTION. Section 17. Collection of special district assessments. (1) When a resolution of assessment has been certified by the clerk of the local government, the county treasurer or the city treasurer or town clerk, as provided in 7-12-4182, shall collect the assessment in the same manner and at the same time as taxes for general purposes are collected.

(2) All money received by the special district, including interest and earnings accrued, must be deposited in an account held only for the special district by the county or city treasurer's office.

NEW SECTION. **Section 18. Payment of assessment under protest -- action to recover.** (1) When an assessment made under [sections 1 through 20] is considered unlawful by the party whose property is charged or from whom the payment is demanded, the person may pay the assessment or any part of the assessment considered to be unlawful under protest to the county treasurer.

(2) The party paying under protest or the party's legal representative may bring an action in any court of competent jurisdiction against the officer to whom the assessment was paid or against the local government in whose behalf the assessment was collected to recover the assessment or any portion of the assessment paid under protest. An action instituted to recover the assessment paid under protest must be commenced within 90 days after the date of payment.

(3) The assessment paid under protest must be held by the county treasurer until the determination of an action brought for the recovery of the assessment.

(4) If the assessment considered to be unlawful pertains to property created as a condominium and the property is not solely a certain unit in the condominium, then the owner of the property created as a condominium that is entitled to protest is considered to be the collective owners of all units having an undivided ownership interest in the common elements of the condominium.

(5) An owner of property created as a condominium may protest against the method of assessment or vote at an election

of the special district only through a president, vice president, secretary, or treasurer of the condominium owners' association who timely presents to the secretary of the special district the following:

(a) a writing identifying the condominium property;

(b) the condominium declaration or other condominium document that shows how votes of unit owners in the condominium are calculated;

(c) original signatures of owners of units in the condominium having an undivided ownership interest in the common elements of the condominium sufficient to constitute an affirmative vote for an undertaking relating to the common elements under the condominium declaration; and

(d) a certificate signed by the president, vice president, secretary, or treasurer of the condominium owners' association certifying that the votes of the unit owners, as evidenced by the signatures of the owners, are sufficient to constitute an affirmative vote of the condominium owners' association to protest against the method of assessment.

NEW SECTION. **Section 19. Assessments as liens.** (1) An assessment made and levied to defray the cost and expenses of the program or improvements, together with any percentages imposed for delinquency and for cost of collection, constitutes a lien upon the property on which the assessment is made and levied from the date of the passage of the resolution levying the assessment. This lien may be extinguished only by payment of the assessment,

with all penalties, costs, and interest, or by sale of the property as provided in subsection (2).

(2) When the payment of an installment of an assessment becomes delinquent, all payments of subsequent installments of the assessment may, at the option of the governing body and upon adoption of the appropriate resolutions, become delinquent. Upon delinquency in one or all installments, the whole property must be sold in the same manner as other property is sold for taxes. The enforcement of the lien of any installment of a special assessment by any method authorized by law does not prevent the enforcement of the lien of any subsequent installment when it becomes delinquent.

NEW SECTION. Section 20. Dissolution of special district.

(1) A special district may be dissolved if it is considered to be in the best interest of a local government or the inhabitants of the local government or if the purpose for creating the special district has been fulfilled and the special district is not needed in perpetuity.

(2) The governing body may pass a resolution of intention to dissolve a special district upon its own request or upon request of the separate board administering the special district.

(3) After the passage of the resolution provided for in subsection (2), the clerk of the local government that established the special district shall publish a notice, as provided in 7-1-2121 or 7-1-4127, of the intention to dissolve the district.

(4) The notice must specify the boundaries of the special district to be dissolved, the date of the passage of the resolution of intention to dissolve, the date set for the passage of the resolution of dissolution, and that the resolution will be passed unless the clerk of the local government receives written protest in advance from:

(a) 40% of registered voters or 40% of the owners of real property in the district; or

(b) 40% of registered voters or 40% of the property taxpayers, if the district program or improvements have been financed through a mill levy.

(5) If the special district is dissolved, the clerk of the local government shall immediately send written notice to:

(a) the secretary of state; and

(b) the department of revenue, providing the same information required in [section 10] when a district is created. The department of revenue and the department of administration shall respond to the dissolution in the same manner they respond to the creation of a district, as described in [section 10].

(6) The dissolution of a special district may not relieve the property owners from the assessment and payment of a sufficient amount to liquidate all charges existing against the special district prior to the date of dissolution.

(7) Any assets remaining after all debts and obligations of the special district have been paid, discharged, or irrevocably settled must be:

(a) deposited in the general fund of the local government;

(b) in the case of multiple local governments, divided in accordance with their interlocal agreement and deposited in the general fund of each local government; or

(c) transferred to a new special district that has been created to provide substantially the same service as provided by the dissolved special district.

(8) If the remaining assets are derived from private grants or gifts that restrict the use of those funds, the funds must be returned to the grantor or donor.

Section 21. Section 7-1-201, MCA, is amended to read:

"7-1-201. Boards. (1) A board of county commissioners may by resolution establish the administrative boards, districts, or commissions allowed by law or required by law to be established pursuant to 7-1-202, 7-1-203, [sections 1 through 20] and this section and listed in 7-1-202. The resolution creating an administrative board, district, or commission must specify:

- (a) the number of board, district, or commission members;
- (b) the terms of the members;
- (c) whether members are entitled to mileage, per diem, expenses, and salary; and

(d) any special qualifications for membership in addition to those established by law.

(2) (a) An administrative board, district, or commission may be assigned responsibility for a department or service district.

(b) An administrative board, district, or commission may:

(i) exercise administrative powers as granted by resolution, except that it may not pledge the credit of the county or impose a tax unless specifically authorized by state law;

(ii) administer programs, establish policy, and adopt administrative and procedural rules.

(c) The resolution creating an administrative board, district, or commission must grant the board, district, or commission all powers necessary and proper to the establishment, operation, improvement, maintenance, and administration of the department or district.

(d) If authorized by resolution, an administrative board, district, or commission may employ personnel to assist in its functions.

(3) (a) Administrative boards, districts, and commissions may be made elective.

(b) If an administrative board is made elective and if the number of candidates is equal to or less than the number of positions to be elected, the election administrator may cancel the election in accordance with 13-1-304. A position for which there were no nominees must be filled by appointment by the county commissioners for the same term as if the position were filled by election. If there is only one nominee for a position, the nominee may be declared elected by acclamation.

(4) Administrative boards, districts, and commissions may not sue or be sued independently of the local government unless authorized by state law.

(5) Members must be appointed by the county commissioners. The county commissioners shall post prospective membership vacancies at least 1 month prior to filling the vacancy.

(6) The county commissioners shall maintain a register of appointments, including:

(a) the name of the board, district, or commission;

(b) the date of appointment and confirmation, if any is required;

(c) the length of term;

(d) the name and term of the presiding officer and other officers of each administrative board, district, or commission; and

(e) the date, time, and place of regularly scheduled meetings.

(7) Terms of all members, except elected members, may not exceed 4 years. Unless otherwise provided by resolution, members shall serve terms beginning on July 1 and shall serve at the pleasure of the county commissioners.

(8) An administrative board, district, or commission must consist of a minimum of 3 members and must have an odd number of members.

(9) The resolution creating an administrative board, district, or commission may provide for voting or nonvoting ex officio members.

(10) Two or more local governments may provide for joint boards, districts, or commissions to be established by interlocal agreements.

(11) A majority of members constitutes a quorum for the purposes of conducting business and exercising powers and responsibilities. Action may be taken by a majority vote of members present and voting, unless the resolution creating the board, district, or commission specifies otherwise.

(12) An administrative board, district, or commission shall provide for the keeping of written minutes, including the final vote on all actions and the vote of each member.

(13) An administrative board, district, or commission shall provide by rule for the date, time, and place of regularly scheduled meetings and file the information with the county commissioners.

(14) Unless otherwise provided by law, a person must be a resident of the county to be eligible for appointment to an administrative board, district, or commission. The county commissioners may prescribe by resolution additional qualifications for membership.

(15) A person may be removed from an administrative board, district, or commission for cause by the county commissioners or as provided by resolution.

(16) A resolution creating an administrative board, district, or commission must contain, if applicable, budgeting and accounting requirements for which the board, district, or commission is accountable to the county commissioners.

(17) If a municipality creates a special district in accordance with [sections 1 through 20], the governing body of the municipality must comply with this section if the governing

body chooses to have the special district governed by a separate board."

{ Internal References to 7-1-201:

7-1-202	7-8-2103*	7-13-213*	7-13-2510
7-13-2521*	7-16-2203*	7-16-2217*	7-16-2301*
7-16-4201	7-21-3401*	7-22-2103*	7-22-2215*
7-22-2411*	7-35-2108*}		

Section 22. Section 7-1-202, MCA, is amended to read:

"7-1-202. Creation of new boards. Subject to 7-1-201 and 7-1-203 and in addition to the following, a county may create administrative boards, districts, and commissions that are not otherwise provided for by law:

- (1) county building commission;
- (2) cemetery districts;
- (3) county fair commission;
- (4) hospital district;
- ~~(4)~~(5) mosquito control board;
- ~~(5)~~(6) museum board;
- ~~(6)~~(7) board of park commissioners;
- (8) road district;
- ~~(7)~~(9) rodent control board;
- (10) rural fire district;
- ~~(8)~~(11) solid waste district;
- ~~(9)~~(12) television district;
- ~~(10)~~(13) weed management district."

{ Internal References to 7-1-202:

7-1-201	7-1-201	7-8-2103*	7-13-213*
7-13-2521*	7-16-2203*	7-16-2217*	7-16-2301*
7-21-3401*	7-22-2103*	7-22-2215*	7-22-2411*
7-35-2108*}			

Section 23. Section 7-2-4734, MCA, is amended to read:

"7-2-4734. Standards to be met before annexation can occur.

A municipal governing body may extend the municipal corporate limits to include any area that meets the following standards:

(1) The area must be contiguous to the municipality's boundaries at the time the annexation proceeding is begun.

(2) No part of the area may be included within the boundary of another incorporated municipality.

(3) The area must be included within and the proposed annexation must conform to a growth policy adopted pursuant to Title 76, chapter 1.

(4) No part of the area may be included within the boundary, as existing at the inception of the attempted annexation, of any fire district organized under any of the provisions of ~~part 21~~, former chapter 33, part 21, or [sections 1 through 20] if the fire district was originally organized at least 10 years prior to the inception of attempted annexation. However, a single-ownership piece of land may be transferred from a fire district to a municipality by annexation ~~as provided in 7-33-2127~~ in accordance with this section."

{ Internal References to 7-2-4734:
7-2-4711 7-2-4712 7-2-4731 7-2-4741
7-2-4742 7-2-4742* }

Section 24. Section 7-3-122, MCA, is amended to read:

"7-3-122. Definitions. As used in 7-3-121 through 7-3-161, unless the context indicates otherwise, the following definitions

apply:

(1) "Authority" means:

(a) a municipal or regional airport authority as provided in Title 67, chapter 11;

(b) a conservancy district as provided in Title 85, chapter 9;

(c) a conservation district as provided in Title 76, chapter 15;

(d) a drainage district as provided in Title 85, chapter 8;

(e) an irrigation district as provided in Title 85, chapter 7;

(f) a hospital district as provided in ~~Title 7, chapter 34, part 21~~ [sections 1 through 20];

(g) a flood control and water conservation district as provided in Title 76, chapter 5, part 11;

(h) a county water and sewer district as provided in Title 7, chapter 13, part 22; or

(i) an urban transportation district as provided in Title 7, chapter 14, part 2.

(2) "Finance administrator" means the individual responsible for the financial administration of the local government and generally means the county or city treasurer or town clerk unless the alternative form or governing body specifies a different individual.

(3) "Form of government" or "form" means one of the types of local government enumerated in 7-3-102 and the type of government described in 7-3-111.

(4) "Governing body" means the commission or the town meeting legislative body established in the alternative form of a local government under Title 7, chapter 3, parts 1 through 7.

(5) "Local improvement district" means an improvement district in which property is assessed to pay for specific capital improvements benefiting the assessed property.

(6) "Plan of government" has the meaning provided in 7-1-4121.

(7) "Records administrator" means the individual responsible for keeping the public records of the local government and generally means the county, city, or town clerk unless the alternative form or governing body specifies a different individual.

(8) "Subordinate service district" means a special district within a local government in which certain services are provided and in which taxes may be levied to finance the services."

{ Internal References to 7-3-122:

7-3-121* 7-3-122* 7-3-124* 7-3-124*
7-3-154* 7-3-193 }

Section 25. Section 7-3-1345, MCA, is amended to read:

"7-3-1345. Fire department. (1) The fire department of the municipality is in the charge of a director, who ~~shall be~~ is the chief thereof of the department and who shall manage and control the department in the manner prescribed by the ordinances of the municipality.

(2) (a) Notwithstanding any other provision of law, the adoption of a consolidated county municipal government ~~shall have~~

has no effect on the existence, rights, or duties of any voluntary fire department or fire district created and legally in existence pursuant to the provisions of ~~parts 21 and 23 of chapter 33, part 23, or former chapter 33, part 21.~~

(b) ~~Nothing in this part or part Part 12 or this part shall~~ may not be construed to prohibit the creation of voluntary fire departments or fire districts pursuant to the provisions of ~~parts 21 and 23 of chapter 33, part 23,~~ within consolidated county municipalities.

(c) Voluntary fire departments or fire districts within consolidated county municipalities may only be organized, created, supported, financed, dissolved, and managed and their boundaries may only be changed pursuant to the provisions of ~~parts 21 and 23 of chapter 33, part 23.~~ These organizations may enter mutual aid agreements ~~as provided by 7-33-2108.~~"

{ Internal References to 7-3-1345:
37-60-101 }

Section 26. Section 7-4-2711, MCA, is amended to read:

"7-4-2711. County attorney to be legal adviser of county and other subdivisions. (1) The county attorney is the legal adviser of the board of county commissioners. The county attorney shall attend their meetings when required and shall attend and oppose all claims and accounts against the county that are unjust or illegal. The county attorney shall defend all suits brought against the county.

(2) The county attorney shall:

(a) give, when required and without fee, an opinion in writing to the county, district, and ~~township~~ town officers on matters relating to the duties of their respective offices;

(b) act as counsel, without fee, for fire districts and fire service areas in unincorporated territories, or towns, ~~or~~ ~~villages~~ within the county;

(c) when requested by a conservation district pursuant to 76-15-319, act as counsel, without fee;

(d) when requested by a weed district pursuant to 7-22-2103, act as counsel, without fee; and

(e) when requested by a county hospital board ~~pursuant to~~ 7-34-2115, act as counsel, without fee, unless the legal action requested involves the county commissioners."

{*Internal References to 7-4-2711: None.*}

Section 27. Section 7-6-204, MCA, is amended to read:

"7-6-204. Crediting of interest -- exceptions. (1) Interest paid and collected on deposits or investments must be credited to the general fund of the county, city, or town to whose credit the funds are deposited unless otherwise provided:

- (a) by law;
- (b) by terms of a gift, grant, or donation; or
- (c) by subsections (2) and (3).

(2) Subject to subsection (1), interest paid and collected on the deposits or investments of the funds of a volunteer fire district or department organized in an unincorporated area under ~~Title 7,~~ former chapter 33, part 21, ~~or under chapter 33,~~ part

23, or under [sections 1 through 20] or of a fire service area or county fire department must be credited to the account of that fire district, service area, or department.

(3) Subject to subsection (1), interest paid and collected on the deposits or investments of any fund separately created and accounted for by a county, city, or town may be credited to the separately created fund proportionately to each fund's participation in the deposit or investment."

{ Internal References to 7-6-204:
7-6-2701 7-7-2112 }

Section 28. Section 7-6-621, MCA, is amended to read:

"7-6-621. Volunteer firefighters' disability income insurance authorized -- voted levy -- fund. (1) Disability income insurance, as defined in 33-1-235, purchased for volunteer firefighters must provide that:

(a) payments or benefits are paid only for an injury received as a volunteer firefighter; and

(b) the duration of payments or benefits may not exceed the lesser of 1 year or until the treating physician determines that the beneficiary is no longer disabled.

(2) If the voters have approved a levy for the purchase of volunteer firefighters' disability income insurance, the governing body of a local government entity may establish a volunteer firefighters' disability income insurance account. The governing body may hold money in the account for any time period considered appropriate by the governing body. Money held in the

account may not be considered as cash balance for the purpose of reducing mill levies.

(3) Money may be expended from the account to purchase disability income insurance coverage meeting the provisions of subsection (1) for volunteer firefighters organized or deployed pursuant to any of the provisions of Title 7, chapter 33, former part 21, parts ~~21~~ 22 through 24 or 41.

(4) Money in the account must be invested as provided by law. Interest and income from the investment of money in the account must be credited to the account."

{ Internal References to 7-6-621:
7-33-2109 7-33-2209 7-33-2403 7-33-4109
7-33-4111 }

Section 29. Section 7-6-2512, MCA, is amended to read:

"7-6-2512. County tax levy for health care facilities. (1) Subject to 15-10-420, the board of county commissioners may, annually at the time of levying county taxes, fix and levy a tax upon all property within the county to erect, furnish, equip, expand, improve, maintain, and operate county-owned or county-operated health care facilities created under 7-8-2102, 7-34-2201, and 7-34-2502. "Health care facilities" as used in this section has the meaning as defined in 7-34-2201. If a hospital district is created under former provisions of Title 7, chapter 34, part 21, or [sections 1 through 20], the mill levy authorized by this section may not be imposed on property within that hospital district.

(2) If a county issues bonds under 7-34-2411 to finance or

refinance the costs of a health care facility, the board of county commissioners may ~~covenant~~ to levy the tax authorized by this section during the term of the bonds, to the extent necessary, and to apply the collections of the tax to the costs of erecting, furnishing, equipping, expanding, improving, maintaining, and operating the health care facility or facilities of the county or the payment of principal of or interest on the bonds. The pledge of the taxes to the payment of the bonds may not cause the bonds to be considered indebtedness of the county for the purpose of any statutory limitation or restriction. The pledge may be made by the board only upon authorization of a majority of the electors of the county voting on the pledge at a general or special election as provided in 7-34-2414."

{ *Internal References to 7-6-2512:*
7-6-2527 7-34-2411 7-34-2411 7-34-2414 }

Section 30. 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;

Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

- (4) multijurisdictional service purposes as provided in ~~7-11-1106~~ [section 13];
- (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, and 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, collection of exhibits, or a museum district as provided in 7-16-2205~~ special districts;
- (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."

{ Internal References to 7-6-2527:
7-1-2103 7-1-4123 }

Section 31. Section 7-7-2101, MCA, is amended to read:

"7-7-2101. Limitation on amount of county indebtedness. (1)

A county may not issue bonds or incur other indebtedness for any purpose in an amount, including existing indebtedness, that in the aggregate exceeds 2.5% of the total assessed value of taxable property, determined as provided in 15-8-111, within the county, as ascertained by the last assessment for state and county taxes.

(2) Except as provided in 7-7-2402 and ~~7-21-3413~~, a county may not incur indebtedness or liability for any single purpose to an amount exceeding \$500,000 without the approval of a majority

of the electors of the county voting at an election as provided by law.

(3) This section does not apply to the acquisition of conservation easements as set forth in Title 76, chapter 6."

{ Internal References to 7-7-2101:
7-7-2203 7-7-2402 }

Section 32. Section 7-11-1102, MCA, is amended to read:

"7-11-1102. Services that may be provided. (1) A multijurisdictional service district may provide only those services that are authorized to be provided by local governments.

(2) The services that a multijurisdictional service district may provide are:

(a) recreation programs other than park and recreation programs in a county park district established under ~~Title 7, chapter 16, part 24 [sections 1 through 20]~~;

(b) road, street, and highway maintenance;

(c) libraries;

(d) jails;

(e) dog control programs;

(f) ambulance service;

(g) dispatch service;

(h) protection of human health and the environment, including scenic concerns and recreational activities for areas requiring or involving environmental reclamation;

(i) health services and health department functions; and

(j) maintenance or provision of any public infrastructure

facility, project, or service."

{*Internal References to 7-11-1102: None.*}

Section 33. Section 7-11-1112, MCA, is amended to read:

"7-11-1112. Financing. (1) Subject to 15-10-420, local governments organizing a multijurisdictional service district are authorized to levy property taxes in an amount not to exceed that authorized for the district in ~~7-11-1106~~ accordance with [section 5] and to appropriate funds derived from other than general tax revenues for the operation of the district. Subject to 15-10-420, property taxes levied for a library established under this part as a multijurisdictional service must be added to taxes levied under 22-1-304.

(2) A property tax levied for the purpose of financing the district must, for all agricultural property having an area greater than 10 acres, be levied only on the principal residential dwelling, if any, on the property."

{*Internal References to 7-11-1112: None.*}

Section 34. Section 7-13-2511, MCA, is amended to read:

"7-13-2511. Prohibition on operation of cable TV systems. A television district organized under [sections 1 through 20] or the former provision of this part may not perform any acts or take any steps to construct or operate community antenna systems, commonly known and referred to as cable TV systems."

{*Internal References to 7-13-2511: None.*}

Section 35. Section 7-13-2512, MCA, is amended to read:

"7-13-2512. Authorization for FM translator. (1) A television district may construct and operate a broadcast FM translator facility (88 to 108 megahertz) as provided in this section.

(2) (a) A request to provide FM translator services may be initiated by a petition signed by at least 51% of the registered electors who are residents of the television district and presented to the board of county commissioners ~~which that~~ initially established the district. The petition, ~~and~~ its filing, ~~and its~~ processing, and ~~the~~ public hearing are governed by ~~7-13-2503, 7-13-2504, and 7-13-2505~~ [sections 3, 5, and 6].

(b) ~~Upon receiving a certified petition, the board of county commissioners shall give notice and hold a hearing as provided in 7-13-2506 and 7-13-2507. After the hearing, the board of county commissioners shall approve or deny the petition by resolution. If the county commissioners approve the decision is to approve the petition is approved, the resolution shall must~~ authorize the board of trustees of the district to provide the requested services and ~~shall~~ must describe the proposed system, including the type of construction, proposed location, and estimated costs."

{*Internal References to 7-13-2512:*
7-13-2510}

Section 36. Section 7-14-2138, MCA, is amended to read:

"7-14-2138. Prosecution by county attorney. (1) The county

attorney, upon complaint of the road supervisor, county surveyor, or any other person, shall prosecute all actions provided in parts 21 through 26 and 28 in the name of the state of Montana.

(2) All penalties, except those paid to a justice's court, ~~shall~~ must be paid into the general fund of the county."

{Internal References to 7-14-2138: None.}

Section 37. Section 7-16-2105, MCA, is amended to read:

"7-16-2105. Acquisition of land by county for public recreational or cultural purposes. ~~(1)~~ A county may acquire, by purchase, grant, deed, gift, devise, condemnation pursuant to Title 70, chapter 30, or otherwise, lands suitable for public camping, public recreational purposes, civic centers, youth centers, museums, recreational centers, and any combination of the enumerated uses. A county may lease the land tracts, each of which must be situated so that it offers ready access to a public highway.

~~(2) This section may not be construed as amending or repealing 7-16-2201 through 7-16-2203."~~

{Internal References to 7-16-2105:
7-16-2106 70-30-102}

Section 38. Section 7-16-2109, MCA, is amended to read:

"7-16-2109. Single tax for county fair activities, county parks, and certain cultural, social, and recreational facilities -- restriction. (1) Subject to 15-10-420 and except as provided in subsection (2), the county commissioners of a county who have

levied taxes pursuant to ~~both 7-16-2102 and 7-21-3410~~ may combine ~~the two taxes~~ that levy with any fees assessed in accordance with [section 15] into a single ~~tax~~ assessment for the purpose of maintaining, operating, and equipping county fair activities, county parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational complex, or any combination of purposes, activities, and facilities. The money collected may be distributed among the activities and facilities as determined by the county commissioners.

(2) (a) The board of county commissioners shall submit the question of imposing or continuing the imposition of the single ~~tax~~ assessment provided for in subsection (1) to the electors of the county at the next general election if a petition requesting a vote on the single ~~tax~~ assessment, signed by at least 15% of the resident taxpayers of the county, is filed with the county clerk at least 90 days prior to the date of the general election.

(b) The question must be submitted as provided in 15-10-425.

(c) The board of county commissioners shall ~~levy the tax~~ collect the assessment if the imposition or continued imposition of the single ~~tax~~ assessment is approved by a majority of the electors voting on the question."

{*Internal References to 7-16-2109:
7-6-2527*}

Section 39. Section 7-21-3411, MCA, is amended to read:

"7-21-3411. Restriction on use of appropriation or tax

~~money. No portion~~ An amount of the appropriation or tax levy provided for in ~~7-21-3410~~ shall or assessment for a county fair district or a multiple county fair district may not be expended for horseracing."

{Internal References to 7-21-3411:
7-21-3406* 7-21-3457*}

Section 40. Section 7-22-2512, MCA, is amended to read:

"7-22-2512. Financing of vertebrate pest management program

-- **tax.** (1) A governing body may:

(a) appropriate from the county general fund an amount to fund vertebrate pest management and transfer it to the county vertebrate pest management fund; and

(b) subject to 15-10-420, levy a vertebrate pest management tax on the taxable valuation of all agricultural, horticultural, grazing, and timber lands and their improvements. Land within a rodent control district may not be taxed in any given year under both ~~7-22-2222~~ [section 15] and this section for the control of rodents ~~as defined in 7-22-2207~~. Land within a rodent control district may be taxed under this section only in a dollar amount that is proportional to the part of the vertebrate pest program's projected fiscal year budget that is allocated to the management and suppression of vertebrate pests other than rodents.

(2) The tax provided for in subsection (1) must be collected as other county taxes and credited to the county vertebrate pest management fund."

{Internal References to 7-22-2512: None.}

Section 41. Section 7-33-2403, MCA, is amended to read:

"7-33-2403. Operation of fire service area -- voted levy for volunteer firefighters' disability income insurance. (1)

Whenever the board of county commissioners has established a fire service area, the commissioners may:

(a) govern and manage the affairs of the area;

(b) appoint five qualified trustees to govern and manage the affairs of the area; or

(c) authorize the election of five qualified trustees to govern and manage the affairs of the area. The term of office and procedures for nomination and election are the same as those provided for ~~election of rural fire district trustees in 7-33-2106~~ in [section 12] and Title 7, chapter 1, part 2.

(2) Subject to 15-10-425, the commissioners may levy a tax upon all property within the county for the purpose of buying disability income insurance coverage for volunteer firefighters deployed within the fire service area as provided in 7-6-621.

~~(3) If the commissioners appoint trustees under subsection (1), the provisions of 7-33-2105 apply and 7-33-2106 applies whether the trustees are elected or appointed , except that~~

(3) the The trustees shall prepare annual budgets and request a schedule of rates for the budget."

{ Internal References to 7-33-2403:
7-33-2404 }

Section 42. Section 7-34-2102, MCA, is amended to read:

"7-34-2102. Definitions. As used in this part Title 50, 53-6-106, and 90-7-104, unless the context requires otherwise, the following definitions apply:

(1) "Hospital facilities" means a hospital or a hospital-related facility, including outpatient centers for primary care, outpatient centers for surgical services, rehabilitation facilities, long-term care facilities, infirmaries, and health care facilities, all as defined in 50-5-101. The term includes public health centers.

(2) "Public health center" means a publicly owned facility providing health services, including laboratories, clinics, and administrative offices."

{ *Internal References to 7-34-2102:*

7-34-2201	50-10-101	50-16-701	50-60-205
50-60-301	50-78-103	53-6-106	90-7-104

Section 43. Section 7-34-2122, MCA, is amended to read:

"7-34-2122. Powers of district. A hospital district has all powers provided in [sections 1 through 20] ~~necessary and convenient to the acquisition, betterment, operation, maintenance, and administration of hospital facilities that its board of trustees considers necessary and expedient.~~ In addition to the general grant of powers, a hospital district, acting by its board of trustees, may:

~~(1) employ nursing, administrative, and other personnel, legal counsel, engineers, architects, accountants, and other qualified persons, who may be paid for their services by monthly salaries, hourly wages, and pension benefits or by fees that may~~

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As of: September 5, 2008 (8:01am)

Appendix C

LC9208

~~be agreed upon;~~

~~—— (2) cause reports, plans, studies, and recommendations to be prepared;~~

~~—— (3) lease, purchase, and contract for the purchase of real and personal property by option, contract for deed, or otherwise and acquire real or personal property by gift;~~

~~—— (4) lease or construct, equip, furnish, and maintain necessary buildings and grounds;~~

~~—— (5) adopt, by resolution, rules for the operation and administration of hospital facilities under its control and for the admission of persons to the facilities;~~

~~—— (6) impose by resolution and collect charges for all services and facilities provided and made available by it;~~

~~—— (7) subject to 15-10-420, levy taxes as prescribed in this part;~~

~~—— (8) borrow money by the issuance of its bonds as prescribed in this part;~~

~~—— (9) borrow money by the issuance of notes;~~

~~(10)~~ (1) procure insurance against liability of the district or its officers and employees, or both, for torts committed within the scope of their official duties, whether governmental or proprietary, and against damage to or destruction of any of its facilities, equipment, or other property; and

~~(11) sell or lease any of its facilities or equipment as may be considered expedient;~~

~~—— (12) cause audits to be made of its accounts, books, vouchers, and funds by competent public accountants; and~~

~~(13)~~(2) provide educational benefits to qualified individuals, including the payment of tuition, room and board, educational materials, and stipends and the repayment of student loans in return for an agreement by those persons to provide services to the district."

{Internal References to 7-34-2122: None.}

Section 44. Section 7-34-2201, MCA, is amended to read:

"7-34-2201. Erection and management of county health care facilities -- definition -- provision of health care services.

(1) The board of county commissioners has jurisdiction and power, under the limitations and restrictions prescribed by law, to erect, furnish, equip, expand, improve, and maintain health care facilities and to provide health care services in those facilities as permitted by law.

(2) The board of county commissioners of a county that has or may acquire title to a site and building or buildings suitable for county health care purposes has jurisdiction and power, under the limitations and restrictions prescribed by law, to erect, furnish, equip, expand, improve, maintain, and operate the building or buildings for health care purposes as provided by this section.

(3) As used in parts ~~21 and~~ 23 through 25 and this part, unless the context clearly requires otherwise, the term "health care facility" means a hospital, a medical assistance facility, a critical access hospital, a hospice, an end-stage renal dialysis facility, an outpatient center for surgical services, an

outpatient center for primary care, a rehabilitation facility, a long-term care facility, or an adult day-care center, as defined in 50-5-101, a public health center, as defined in 7-34-2102, or any combination and related medical facilities, including offices for physicians or other health care professionals providing outpatient, rehabilitative, emergency, nursing, or preventive care."

{ Internal References to 7-34-2201:
7-6-2512 7-6-2512 7-34-2401 7-34-2411 }

Section 45. Section 7-34-2417, MCA, is amended to read:

"7-34-2417. Health care facility tax levy authorized. If the bonds are not paid or are not expected to be paid from ordinary revenue of the facility, a county that has issued bonds under 7-34-2411 for a health care facility may, subject to 15-10-420, levy taxes on the taxable value of all taxable property within the county ~~in the manner provided for public hospital districts under 7-34-2133.~~"

{ Internal References to 7-34-2417:
7-34-2411 7-34-2415* 7-34-2415* 7-34-2416*
7-34-2418 }

Section 46. Section 10-3-202, MCA, is amended to read:

"10-3-202. Mutual aid -- cooperation. (1) Political subdivisions and governmental fire agencies organized under Title 7, chapter 33, or [sections 1 through 20] must be encouraged and assisted by the division to conclude mutual aid arrangements with other public and private agencies within this state or any other

state or the United States pursuant to Title 10, chapter 3, part 11, for reciprocal aid and assistance in coping with incidents, emergencies, and disasters.

(2) In reviewing disaster and emergency plans and programs of political subdivisions, the division shall consider whether they contain adequate provisions for the reciprocal mutual aid.

(3) Local and interjurisdictional disaster and emergency agencies may assist in negotiation of reciprocal mutual aid agreements between the governor and the adjoining states, (including foreign states or provinces), or political subdivisions of adjoining states and shall carry out arrangements of any of the agreements relating to the local and political subdivision.

(4) In providing assistance under parts 1 through 4 of this chapter, state departments and agencies shall cooperate to the fullest extent possible with each other and with local governments and relief agencies such as the American red cross. Parts 1 through 4 of this chapter do not list or in any way affect the responsibilities of the American red cross under its congressional charter."

{Internal References to 10-3-202:
10-3-209}

Section 47. Section 10-3-209, MCA, is amended to read:

"10-3-209. Political subdivision requests for assistance -- application to fire districts, fire service areas, and fire companies in unincorporated places -- immunity. (1) If an

incident, emergency, or disaster occurs in a political subdivision that has not concluded a mutual aid agreement pursuant to 10-3-202, the local or interjurisdictional agency, incident commander, or principal executive officer of the political subdivision may request assistance from another public or private agency.

(2) (a) The following individuals or entities may request assistance with an incident, emergency, or disaster if a mutual aid agreement has not been concluded for protection of the area within the jurisdiction of these individuals or entities:

(i) the trustees of a rural fire district created pursuant to former Title 7, chapter 33, part 21, or [sections 1 through 20], a representative of the trustees, or an incident commander for the district;

(ii) the chief of a rural fire company organized pursuant to 7-33-2311 or an incident commander for the chief;

(iii) the governing body of a fire service area created pursuant to Title 7, chapter 33, part 24, a representative of the governing body, or an incident commander for the area.

(b) A request for assistance by an individual or entity under subsection (2) (a) may be made to any of the following:

- (i) a fire district;
- (ii) an unincorporated municipality;
- (iii) an incorporated municipality;
- (iv) a state agency;
- (v) a private fire prevention agency;
- (vi) an agency of the federal government;

(vii) a fire service area;

(viii) the governing body of a political subdivision; or

(ix) the governing bodies of fire protection services, emergency medical care providers, and local government subdivisions of any other state or the United States pursuant to part 11 of this chapter.

(3) A public or private agency receiving a request pursuant to subsection (1) or (2) shall determine if it will provide the requested assistance or if it will provide other assistance and shall inform the requesting local or interjurisdictional agency, principal executive officer, incident commander, or other individual or entity making the request, as soon as possible, of that determination. The nature and extent of assistance provided by a public or private agency may be determined only by that public or private agency.

(4) The incident commander of the local or interjurisdictional agency making a request for assistance has overall responsibility for command of the resources provided by a public or private agency responding to a request. However, operational control of individual pieces of equipment and personnel furnished by the responding public or private agency remains with that agency.

(5) This section does not waive an immunity or limitation on liability applicable to any of the following entities or individuals requesting or receiving assistance pursuant to this section:

(a) a fire district;

- (b) a fire service area;
- (c) a fire company;
- (d) an unincorporated municipality, or town, ~~or village~~;
- (e) a political subdivision; or
- (f) an agent, employee, representative, or volunteer of an entity listed in this subsection."

{Internal References to 10-3-209:

7-33-2108	7-33-2202	7-33-2208	7-33-2208
7-33-2405	7-33-4112	10-3-902	10-3-902}

Section 48. Section 10-3-902, MCA, is amended to read:

"10-3-902. Policy -- purpose. (1) It is the policy of the state that:

(a) available resources should be made available whenever possible and practical to minimize the negative impacts of disasters and emergencies, regardless of the political jurisdiction in this state within which the disaster or emergency occurs and regardless of the political jurisdictions from which a request for assistance arises or from which or to which the resources are made available;

(b) agreements, either formal or informal, written or oral, between or among political subdivisions of this state, that exist or are entered into for the purpose of providing mutual aid in the event of a disaster or emergency should remain options for political subdivisions and should not be infringed upon or in any way affected by the provisions of this part; and

(c) in particular, the provisions of this part do not affect any mutual aid agreement, either formal or informal,

written or oral, that is made or that may be made pursuant to Title 7, chapter 33, [sections 1 through 20], 10-3-209, or 10-3-703 or a request for assistance or aid or assistance or aid provided or received pursuant to Title 7, chapter 33, 10-3-209, or 10-3-703.

(2) It is the purpose of this part to:

(a) establish an effective and efficient mutual aid system in which a political jurisdiction can choose to participate that can operate separate from yet integrated with other freestanding mutual aid systems or agreements;

(b) provide to political jurisdictions in the state another option for establishing mutual aid agreements and for requesting, providing, and receiving mutual aid; and

(c) allow political jurisdictions maximum flexibility to protect life and property through mutual aid agreements."

{*Internal References to 10-3-902: None.*}

Section 49. Section 10-3-1103, MCA, is amended to read:

"10-3-1103. Definitions. As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Emergency medical care provider" means a local government subdivision or other entity, whether public or private, licensed by the state to provide emergency medical services pursuant to Title 50, chapter 6.

(2) "Fire protection service" means a governmental fire agency organized under Title 7, chapter 33, or [sections 1 through 20] or another fire suppression entity organized under

the laws of this state, any other state, or an agency of the government of the United States.

(3) "Local government subdivision" means the local governmental entity, other than state government, including but not limited to incorporated towns and cities, townships, and counties.

(4) "Mutual aid agreement" or "agreement" means an agreement, consistent with the purposes of this part, by one or more fire protection services, emergency medical care providers, or local government subdivisions of this state with one or more fire protection services, emergency medical care providers, or local government subdivisions of any other state or the United States.

(5) "Party emergency service" means a fire protection service, emergency medical care provider, local government subdivision, or agency of the United States that is a party to a mutual aid agreement as provided in this part."

{Internal References to 10-3-1103: None.}

Section 50. Section 15-6-201, MCA, is amended to read:

"15-6-201. Governmental, charitable, and educational categories -- exempt property. (1) The following categories of property are exempt from taxation:

(a) except as provided in 15-24-1203, the property of:

(i) the United States, except:

(A) if congress passes legislation that allows the state to tax property owned by the federal government or an agency created

by congress; or

(B) as provided in 15-24-1103;

(ii) the state, counties, cities, towns, and school districts;

(iii) irrigation districts organized under the laws of Montana and not operated for gain or profit;

(iv) municipal corporations;

(v) public libraries; ~~and~~

(vi) rural fire districts and other entities providing fire protection under Title 7, chapter 33, or [sections 1 through 20];
and

(vii) special districts created pursuant to [sections 1 through 20].

(b) buildings and furnishings in the buildings that are owned by a church and used for actual religious worship or for residences of the clergy, not to exceed one residence for each member of the clergy, together with the land that the buildings occupy and adjacent land reasonably necessary for convenient use of the buildings, which must be identified in the application, and all land and improvements used for educational or youth recreational activities if the facilities are generally available for use by the general public but may not exceed 15 acres for a church or 1 acre for a clergy residence after subtracting any area required by zoning, building codes, or subdivision requirements;

(c) property owned and used exclusively for agricultural and horticultural societies not operated for gain or profit;

(d) property, not to exceed 80 acres, which must be legally described in the application for the exemption, used exclusively for educational purposes, including dormitories and food service buildings for the use of students in attendance and other structures necessary for the operation and maintenance of an educational institution that:

(i) is not operated for gain or profit;

(ii) has an attendance policy; and

(iii) has a definable curriculum with systematic instruction;

(e) property used exclusively for nonprofit health care facilities, as defined in 50-5-101, licensed by the department of public health and human services and organized under Title 35, chapter 2 or 3. A health care facility that is not licensed by the department of public health and human services and organized under Title 35, chapter 2 or 3, is not exempt.

(f) property that is:

(i) owned and held by an association or corporation organized under Title 35, chapter 2, 3, 20, or 21;

(ii) devoted exclusively to use in connection with a cemetery or cemeteries for which a permanent care and improvement fund has been established as provided for in Title 35, chapter 20, part 3; and

(iii) not maintained and not operated for gain or profit;

(g) subject to subsection (2), property that is owned or property that is leased from a federal, state, or local governmental entity by institutions of purely public charity if

the property is directly used for purely public charitable purposes;

(h) evidence of debt secured by mortgages of record upon real or personal property in the state of Montana;

(i) public museums, art galleries, zoos, and observatories that are not operated for gain or profit;

(j) motor vehicles, land, fixtures, buildings, and improvements owned by a cooperative association or nonprofit corporation organized to furnish potable water to its members or customers for uses other than the irrigation of agricultural land;

(k) the right of entry that is a property right reserved in land or received by mesne conveyance (exclusive of leasehold interests), devise, or succession to enter land with a surface title that is held by another to explore, prospect, or dig for oil, gas, coal, or minerals;

(l) (i) property that is owned and used by a corporation or association organized and operated exclusively for the care of persons with developmental disabilities, persons with mental illness, or persons with physical or mental impairments that constitute or result in substantial impediments to employment and that is not operated for gain or profit; and

(ii) property that is owned and used by an organization owning and operating facilities that are for the care of the retired, aged, or chronically ill and that are not operated for gain or profit; and

(m) property owned by a nonprofit corporation that is

organized to provide facilities primarily for training and practice for or competition in international sports and athletic events and that is not held or used for private or corporate gain or profit. For purposes of this subsection (1)(m), "nonprofit corporation" means an organization that is exempt from taxation under section 501(c) of the Internal Revenue Code and incorporated and admitted under the Montana Nonprofit Corporation Act.

(2) (a) For the purposes of subsection (1)(b), the term "clergy" means, as recognized under the federal Internal Revenue Code:

(i) an ordained minister, priest, or rabbi;

(ii) a commissioned or licensed minister of a church or church denomination that ordains ministers if the person has the authority to perform substantially all the religious duties of the church or denomination;

(iii) a member of a religious order who has taken a vow of poverty; or

(iv) a Christian Science practitioner.

(b) For the purposes of subsection (1)(g):

(i) the term "institutions of purely public charity" includes any organization that meets the following requirements:

(A) The organization offers its charitable goods or services to persons without regard to race, religion, creed, or gender and qualifies as a tax-exempt organization under the provisions of section 501(c)(3), Internal Revenue Code, as amended.

(B) The organization accomplishes its activities through absolute gratuity or grants. However, the organization may solicit or raise funds by the sale of merchandise, memberships, or tickets to public performances or entertainment or by other similar types of fundraising activities.

(ii) agricultural property owned by a purely public charity is not exempt if the agricultural property is used by the charity to produce unrelated business taxable income as that term is defined in section 512 of the Internal Revenue Code, 26 U.S.C. 512. A public charity claiming an exemption for agricultural property shall file annually with the department a copy of its federal tax return reporting any unrelated business taxable income received by the charity during the tax year, together with a statement indicating whether the exempt property was used to generate any unrelated business taxable income.

(iii) up to 15 acres of property owned by a purely public charity is exempt at the time of its purchase even if the property must be improved before it can directly be used for its intended charitable purpose. If the property is not directly used for the charitable purpose within 8 years of receiving an exemption under this section or if the property is sold or transferred before it entered direct charitable use, the exemption is revoked and the property is taxable. In addition to taxes due for the first year that the property becomes taxable, the owner of the property shall pay an amount equal to the amount of the tax due that year times the number of years that the property was tax-exempt under this section. The amount due is a

lien upon the property and when collected must be distributed by the treasurer to funds and accounts in the same ratio as property tax collected on the property is distributed. At the time the exemption is granted, the department shall file a notice with the clerk and recorder in the county in which the property is located. The notice must indicate that an exemption pursuant to this section has been granted. The notice must describe the penalty for default under this section and must specify that a default under this section will create a lien on the property by operation of law. The notice must be on a form prescribed by the department.

(iv) not more than 160 acres may be exempted by a purely public charity under any exemption originally applied for after December 31, 2004. An application for exemption under this section must contain a legal description of the property for which the exemption is requested.

(c) For the purposes of subsection (1)(i), the term "public museums, art galleries, zoos, and observatories" means governmental entities or nonprofit organizations whose principal purpose is to hold property for public display or for use as a museum, art gallery, zoo, or observatory. The exempt property includes all real and personal property owned by the public museum, art gallery, zoo, or observatory that is reasonably necessary for use in connection with the public display or observatory use. Unless the property is leased for a profit to a governmental entity or nonprofit organization by an individual or for-profit organization, real and personal property owned by

other persons is exempt if it is:

(i) actually used by the governmental entity or nonprofit organization as a part of its public display;

(ii) held for future display; or

(iii) used to house or store a public display."

{ Internal References to 15-6-201:
41-3-201 61-3-321 61-10-214 }

Section 51. Section 20-15-403, MCA, is amended to read:

"20-15-403. Applications of other school district provisions. (1) When the term "school district" appears in the following sections outside of Title 20, the term includes community college districts and the provisions of those sections applicable to school districts apply to community college districts: 2-9-101, 2-9-111, 2-9-316, 2-16-114, 2-16-602, 2-16-614, 2-18-703, 7-3-1101, 7-6-2604, 7-6-2801, 7-7-123, 7-8-2214, 7-8-2216, 7-11-103, 7-12-4106, 7-13-110, ~~7-13-210~~, 7-15-4206, 10-1-703, 15-1-101, 15-6-204, 15-16-101, 15-16-605, 15-70-301, 17-5-101, 17-5-202, 17-6-103, 17-6-204, 17-6-213, 17-7-201, 18-1-201, 18-2-101, 18-2-103, 18-2-113, 18-2-114, 18-2-401, 18-2-404, 18-2-432, 18-5-205, 19-1-102, 19-1-811, 22-1-309, 25-1-402, 27-18-406, 33-20-1104, 39-3-104, 39-4-107, 39-31-103, 39-31-304, 39-71-116, 39-71-117, 39-71-2106, 40-6-237, 49-3-101, 49-3-102, 52-2-617, 53-20-304, 82-10-201 through 82-10-203, 85-7-2158, and 90-6-208 and Rules 4D(2)(g) and 15(c), M.R.Civ.P., as amended.

(2) When the term "school district" appears in a section

outside of Title 20 but the section is not listed in subsection (1), the school district provision does not apply to a community college district."

{*Internal References to 20-15-403: None.*}

Section 52. Section 40-6-402, MCA, is amended to read:

"40-6-402. Definitions. As used in this part, the following definitions apply:

(1) "Child-placing agency" means an agency licensed under Title 52, chapter 8, part 1.

(2) "Court" means a court of record in a competent jurisdiction and, in Montana, means a district court or a tribal court.

(3) "Department" means the department of public health and human services provided for in 2-15-2201.

(4) "Emergency services provider" means:

(a) a uniformed or otherwise identifiable employee of a fire department, hospital, or law enforcement agency when the individual is on duty inside the premises of the fire department, hospital, or law enforcement agency; or

(b) any law enforcement officer, as defined in 7-32-201, who is in uniform or is otherwise identifiable.

(5) "Fire department" means a governmental fire agency organized under Title 7, chapter 33, or [sections 1 through 20].

(6) "Gross negligence" means conduct so reckless as to demonstrate a substantial lack of concern for whether an injury results.

(7) "Guardian ad litem" means a person appointed to represent a newborn under Title 41, chapter 3.

(8) "Hospital" has the meaning provided in 50-5-101.

(9) "Law enforcement agency" means a police department, a sheriff's office, a detention center as defined in 7-32-2241, or a correctional institution as defined in 45-2-101.

(10) "Newborn" means an infant who a physician reasonably believes to be no more than 30 days old.

(11) "Surrender" means to leave a newborn with an emergency services provider without expressing an intent to return for the newborn."

{ Internal References to 40-6-402:
41-3-102 41-3-102 }

Section 53. Section 46-18-261, MCA, is amended to read:

"46-18-261. Recovery of suppression and investigation expenses for fires caused by arson. (1) A person convicted of arson, negligent arson, or solicitation of or conspiracy to commit arson or negligent arson may be ordered, as part of the sentence, to reimburse law enforcement agencies, governmental fire agencies organized under Title 7, chapter 33, or [sections 1 through 20] and the state for the cost of suppressing and investigating a fire that occurred during the commission of the crime.

(2) The court may order a person doing a presentence investigation and report to include documentation of the costs of suppressing and investigating the fire and of the defendant's

ability to pay and may receive evidence concerning the matters at the time of sentencing.

(3) The court shall specify the amount, method, and time of payment, which may include but is not limited to installment payments. The court may order a probation officer or other appropriate officer attached to or working closely with the court in the administration of justice to supervise payment and report any default to the court.

(4) Upon petition by the offender and after a hearing, the payment may be modified. Agencies receiving payment at that time must be notified of and allowed to participate in the hearing.

(5) This section does not limit the right of a law enforcement agency or governmental fire agency to recover from the offender in a civil action, but the findings in the sentencing hearing and the fact that payment of costs was part of the sentence are inadmissible in and have no legal effect on the merits of a civil action. Costs paid by the offender must be deducted from a recovery awarded in a civil action."

{*Internal References to 46-18-261: None.*}

Section 54. Section 50-78-102, MCA, is amended to read:

"50-78-102. Definitions. As used in this chapter, the following definitions apply:

(1) "Chemical manufacturer" means an employer in codes 31 through 33, as defined in the North American Industry Classification System Manual, with a workplace where chemicals are produced for use or distribution.

(2) "Chemical name" means the scientific designation of a chemical in accordance with the nomenclature system developed by the international union of pure and applied chemistry or the chemical abstracts service rules of nomenclature or a name that will clearly identify the chemical for the purpose of conducting a hazard evaluation.

(3) "Common name" means any designation or identification, such as code name, code number, trade name, brand name, or generic name, used to identify a chemical other than by its chemical name.

(4) "Department" means the department of environmental quality provided for in Title 2, chapter 15, part 35.

(5) "Designated representative" means:

(a) the individual or organization to whom an employee gives written authorization to exercise the employee's rights under this chapter; or

(b) a recognized or certified collective bargaining agent who is automatically a designated representative without regard to written employee authorization.

(6) "Distributor" means a business, other than a chemical manufacturer, that supplies hazardous chemicals to other distributors or to employers.

(7) "Employee" means a person who may be exposed to hazardous chemicals in the workplace under normal operating conditions or possible emergencies.

(8) "Employer" means a person, firm, corporation, partnership, association, governmental agency, or other entity

that is engaged in business or providing services and that employs workers.

(9) "Exposure" means ingestion, inhalation, absorption, or other contact in the workplace with a hazardous chemical and includes potential, accidental, or possible exposure.

(10) "Hazardous chemical" means, except as provided in 50-78-103:

(a) any element, chemical compound, or mixture of elements or compounds that is a physical hazard or health hazard, as defined by subsection (c) of the OSHA standard, and that has been identified as such by the federal occupational safety and health administration or the manufacturer and has been filed with the federal occupational safety and health administration;

(b) any hazardous chemical, as defined by subsection (d) (3) of the OSHA standard; or

(c) any emitter of ionizing radiation.

(11) "Label" means any written, printed, or graphic material displayed on or affixed to containers of hazardous chemicals.

(12) "Local fire chief" means the chief of a governmental fire agency organized under Title 7, chapter 33, or [sections 1 through 20] or the chief's designee.

(13) "Manufacturing employer" means an employer with a workplace classified in codes 31 through 33 of the North American Industry Classification System who manufactures, uses, or stores a hazardous chemical.

(14) "Material safety data sheet" means a document prepared in accordance with the requirements of the OSHA standard and

containing chemical hazard and safe handling information.

(15) "Nonmanufacturing employer" means an employer with a workplace classified in a North American Industry Classification System code other than 31 through 33.

(16) "OSHA standard" means the hazard communication standard issued by the federal occupational safety and health administration, codified under 29 CFR 1910.1200.

(17) "Trade secret" means a confidential formula, pattern, process, device, or information, including chemical name or other unique chemical identifier, that is used in an employer's business and that gives the employer an opportunity to obtain an advantage over competitors.

(18) "Work area" means a room or defined space in a workplace where hazardous chemicals are produced, used, or stored and where employees are present.

(19) "Workplace" means an establishment at one geographical location containing one or more work areas.

(20) "Workplace chemical list" means the list of hazardous chemicals developed under subsection (e)(1)(i) of the OSHA standard or under this chapter."

{*Internal References to 50-78-102: None.*}

Section 55. Section 53-30-503, MCA, is amended to read:

"53-30-503. Definitions. As used in this part, the following definitions apply:

(1) "Corporation" means an entity organized and existing pursuant to Title 35, chapter 1 or 2, and approved or designated

by a local governmental entity.

(2) "Department" means the department of corrections.

(3) "Interlocal cooperation commission" means a commission established in accordance with Title 7, chapter 11, part 2.

(4) "Local governmental entity" means:

(a) a local governmental unit;

(b) a multijurisdictional service district; or

(c) an interlocal cooperation commission.

(5) "Multijurisdictional service district" means a district established in accordance with ~~Title 7, chapter 11, part 11~~ [sections 1 through 20].

(6) "Regional correctional facility" means a facility for the housing of persons charged with or convicted of a criminal offense that is a joint detention center and correctional facility and that is designed, constructed, or operated under this part by a local governmental entity, a corporation, the department, or any combination of a local governmental entity, a corporation, and the department."

{Internal References to 53-30-503: None.}

Section 56. Section 61-8-102, MCA, is amended to read:

"61-8-102. Uniformity of interpretation -- definitions. (1) Interpretation of this chapter in this state must be as consistent as possible with the interpretation of similar laws in other states.

(2) As used in this chapter, unless the context requires otherwise, the following definitions apply:

(a) "Authorized emergency vehicle" means a vehicle of a governmental fire agency organized under Title 7, chapter 33, or [sections 1 through 20], an ambulance, and an emergency vehicle designated or authorized by the department.

(b) "Bicycle" means:

(i) a vehicle propelled solely by human power upon which any person may ride and that has two tandem wheels and a seat height of more than 25 inches from the ground when the seat is raised to its highest position, except scooters and similar devices; or

(ii) a vehicle equipped with two or three wheels, foot pedals to permit muscular propulsion, and an independent power source providing a maximum of 2 brake horsepower. If a combustion engine is used, the maximum piston or rotor displacement may not exceed 3.05 cubic inches, 50 centimeters, regardless of the number of chambers in the power source. The power source may not be capable of propelling the device, unassisted, at a speed exceeding 30 miles an hour, 48.28 kilometers an hour, on a level surface. The device must be equipped with a power drive system that functions directly or automatically only and does not require clutching or shifting by the operator after the drive system is engaged.

(c) "Business district" means the territory contiguous to and including a highway when within any 600 feet along a highway there are buildings in use for business or industrial purposes, including but not limited to hotels, banks, office buildings, railroad stations, and public buildings that occupy at least 300

feet of frontage on one side or 300 feet collectively on both sides of the highway.

(d) "Controlled-access highway" means a highway, street, or roadway in respect to which owners or occupants of abutting lands and other persons have no legal right of access to or from the highway, street, or roadway except at the points and in the manner as determined by the public authority having jurisdiction over the highway, street, or roadway.

(e) "Crosswalk" means:

(i) that part of a roadway at an intersection included within the connections of the lateral lines of the sidewalks on opposite sides of the highway measured from the curbs or, in the absence of curbs, from the edges of the traversable roadway;

(ii) any portion of a roadway at an intersection or elsewhere distinctly indicated for pedestrians crossing by lines or other markings on the surface.

(f) "Flag person" means a person who directs, controls, or alters the normal flow of vehicular traffic upon a street or highway as a result of a vehicular traffic hazard then present on that street or highway. This person, except a uniformed traffic enforcement officer exercising the officer's duty as a result of a planned vehicular traffic hazard, must be equipped as required by the rules of the department of transportation.

(g) "Highway" has the meaning provided in 61-1-101, but includes ways that have been or are later dedicated to public use.

(h) "Ignition interlock device" means ignition equipment

that:

(i) analyzes the breath to determine blood alcohol concentration;

(ii) is approved by the department pursuant to 61-8-441; and

(iii) is designed to prevent a motor vehicle from being operated by a person who has consumed a specific amount of an alcoholic beverage.

(i) (i) "Intersection" means the area embraced within the prolongation or connection of the lateral curb lines or if there are no curb lines then the lateral boundary lines of the roadways of two highways that join one another at or approximately at right angles or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict.

(ii) When a highway includes two roadways 30 feet or more apart, then every crossing of each roadway of the divided highway by an intersecting highway must be regarded as a separate intersection. If the intersecting highways also include two roadways 30 feet or more apart, then every crossing of two roadways of the highways must be regarded as a separate intersection.

(j) "Local authorities" means every county, municipal, and other local board or body having authority to enact laws relating to traffic under the constitution and laws of this state.

(k) "Noncommercial motor vehicle" or "noncommercial vehicle" means any motor vehicle or combination of motor vehicles that is not included in the definition of commercial motor

vehicle in 61-1-101 and includes but is not limited to the vehicles listed in 61-1-101(8)(b).

(l) "Official traffic control devices" means all signs, signals, markings, and devices not inconsistent with this title that are placed or erected by authority of a public body or official having jurisdiction for the purpose of regulating, warning, or guiding traffic.

(m) "Pedestrian" means any person on foot or any person in a manually or mechanically propelled wheelchair or other low-powered, mechanically propelled vehicle designed specifically for use by a physically disabled person.

(n) "Police vehicle" means a vehicle used in the service of any law enforcement agency.

(o) "Private road" or "driveway" means a way or place in private ownership and used for vehicular travel by the owner and those having express or implied permission from the owner, but not by other persons.

(p) "Residence district" means the territory contiguous to and including a highway not comprising a business district when the property on the highway for a distance of 300 feet or more is primarily improved with residences or residences and buildings in use for business.

(q) "Right-of-way" means the privilege of the immediate use of the roadway.

(r) "School bus" has the meaning provided in 20-10-101.

(s) "Sidewalk" means that portion of a street that is between the curb lines or the lateral lines of a roadway and the

adjacent property lines and that is intended for use by pedestrians.

(t) "Traffic control signal" means a device, whether manually, electrically, or mechanically operated, by which traffic is alternately directed to stop and to proceed.

(u) "Urban district" means the territory contiguous to and including any street that is built up with structures devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet for a distance of one-fourth mile or more."

{ Internal References to 61-8-102:

15-6-219	33-23-204	45-5-205	61-1-101
61-1-101	61-1-101	61-8-380	61-8-605
61-9-102	61-9-102	61-9-102	61-9-103
61-9-402	61-9-406	61-9-415	61-10-123
61-12-101	61-12-101}		

Section 57. Section 70-30-102, MCA, is amended to read:

"70-30-102. Public uses enumerated. Subject to the provisions of this chapter, the right of eminent domain may be exercised for the following public uses:

- (1) all public uses authorized by the government of the United States;
- (2) public buildings and grounds for the use of the state and all other public uses authorized by the legislature of the state;
- (3) public buildings and grounds for the use of any county, city, town, or school district;
- (4) canals, aqueducts, flumes, ditches, or pipes conducting water, heat, or gas for the use of the inhabitants of any county,

city, or town;

(5) projects to raise the banks of streams, remove obstructions from streambanks, and widen, deepen, or straighten stream channels;

(6) water and water supply systems as provided in Title 7, chapter 13, part 44;

(7) roads, streets, alleys, controlled-access facilities, and other publicly owned buildings and facilities for the benefit of a county, city, or town or the inhabitants of a county, city, or town;

(8) acquisition of road-building material as provided in 7-14-2123;

(9) stock lanes as provided in 7-14-2621;

(10) parking areas as provided in 7-14-4501 and 7-14-4622;

(11) airport purposes as provided in 7-14-4801, 67-2-301, 67-7-210, and Title 67, chapters 10 and 11;

(12) urban renewal projects as provided in Title 7, chapter 15, parts 42 and 43, except that private property may be acquired for urban renewal through eminent domain only if the property is determined to be a blighted area, as defined in 7-15-4206(2)(a), (2)(h), (2)(k), or (2)(n), and may not be acquired for urban renewal through eminent domain if the purpose of the project is to increase government tax revenue;

(13) housing authority purposes as provided in Title 7, chapter 15, part 44;

(14) county recreational and cultural purposes as provided in 7-16-2105;

Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

(15) city or town athletic fields and civic stadiums as provided in 7-16-4106;

(16) county cemetery purposes ~~as provided in pursuant to 7-35-2201~~ [section 12], cemetery association purposes as provided in 35-20-104, and state veterans' cemetery purposes as provided in 10-2-604;

(17) preservation of historical or archaeological sites as provided in 23-1-102 and 87-1-209(2);

(18) public assistance purposes as provided in 53-2-201;

(19) highway purposes as provided in 60-4-103 and 60-4-104;

(20) common carrier pipelines as provided in 69-13-104;

(21) water supply, water transportation, and water treatment systems as provided in 75-6-313;

(22) mitigation of the release or threatened release of a hazardous or deleterious substance as provided in 75-10-720;

(23) the acquisition of nonconforming outdoor advertising as provided in 75-15-123;

(24) screening for or the relocation or removal of junkyards, motor vehicle graveyards, motor vehicle wrecking facilities, garbage dumps, and sanitary landfills as provided in 75-15-223;

(25) water conservation and flood control projects as provided in 76-5-1108;

(26) acquisition of natural areas as provided in 76-12-108;

(27) acquisition of water rights for the natural flow of water as provided in 85-1-204;

(28) property and water rights necessary for waterworks as

provided in 85-1-209 and 85-7-1904;

(29) conservancy district purposes as provided in 85-9-410;

(30) wharves, docks, piers, chutes, booms, ferries, bridges, private roads, plank and turnpike roads, and railroads;

(31) canals, ditches, flumes, aqueducts, and pipes for:

(a) supplying mines, mills, and smelters for the reduction of ores;

(b) supplying farming neighborhoods with water and drainage;

(c) reclaiming lands; and

(d) floating logs and lumber on streams that are not navigable;

(32) sites for reservoirs necessary for collecting and storing water. However, reservoir sites must possess a public use demonstrable to the district court as the highest and best use of the land.

(33) roads, tunnels, and dumping places for working mines, mills, or smelters for the reduction of ores;

(34) outlets, natural or otherwise, for the flow, deposit, or conduct of tailings or refuse matter from mines, mills, and smelters for the reduction of ores;

(35) an occupancy in common by the owners or the possessors of different mines of any place for the flow, deposit, or conduct of tailings or refuse matter from their several mines, mills, or smelters for reduction of ores and sites for reservoirs necessary for collecting and storing water for the mines, mills, or smelters. However, the reservoir sites must possess a public use

demonstrable to the district court as the highest and best use of the land.

(36) private roads leading from highways to residences or farms;

(37) telephone or electrical energy lines, except that local government entities as defined in 2-7-501, municipal utilities, or competitive electricity suppliers may not use this chapter to acquire existing telephone or electrical energy lines and appurtenant facilities owned by a public utility or cooperative for the purpose of transmitting or distributing electricity or providing telecommunications services;

(38) telegraph lines;

(39) sewerage of any:

(a) county, city, or town or any subdivision of a county, city, or town, whether incorporated or unincorporated;

(b) settlement consisting of not less than 10 families; or

(c) public buildings belonging to the state or to any college or university;

(40) tramway lines;

(41) logging railways;

(42) temporary logging roads and banking grounds for the transportation of logs and timber products to public streams, lakes, mills, railroads, or highways for a time that the court or judge may determine. However, the grounds of state institutions may not be used for this purpose.

(43) underground reservoirs suitable for storage of natural gas;

(44) projects to mine and extract ores, metals, or minerals owned by the condemnor located beneath or upon the surface of property where the title to the surface vests in others. However, the use of the surface of property for strip mining or open-pit mining of coal (i.e., any mining method or process in which the strata or overburden is removed or displaced in order to extract the coal) is not a public use, and eminent domain may not be exercised for this purpose.

(45) projects to restore and reclaim lands that were strip mined or underground mined for coal and not reclaimed in accordance with Title 82, chapter 4, part 2, and to abate or control adverse effects of strip or underground mining on those lands."

{ Internal References to 70-30-102:

7-5-4106 7-15-4206 15-7-202 70-30-103
70-30-111 77-2-101 }

Section 58. Section 76-13-104, MCA, is amended to read:

"76-13-104. Functions of department -- rulemaking. (1) The department has the duty to ensure the protection of land under state and private ownership and to suppress wildfires on land under state and private ownership. No fees may be collected for this purpose except fees provided for in 76-13-201.

(2) (a) The department shall adopt rules to protect the natural resources of the state, especially the natural resources owned by the state, from destruction by fire and for that purpose, in declared emergencies, may employ personnel and incur other expenses when necessary.

(b) The department may adopt and enforce reasonable rules for the purpose of enforcing and accomplishing the provisions and purposes of part 2 and this part.

(3) The duty imposed on the department under this section is not exclusive to the department and does not absolve private property owners or local governmental fire agencies organized under Title 7, chapter 33, or [sections 1 through 20] from any fire protection or suppression responsibilities.

(4) The department may give technical and practical advice concerning forest, range, water, and soil conservation and the establishment and maintenance of woodlots, windbreaks, shelterbelts, and fire protection.

(5) The department shall cooperate with all public and other agencies in the development, protection, and conservation of the forest, range, and water resources in this state.

(6) The department shall establish and maintain wildland fire control training programs.

(7) The department shall appoint firewardens in the number and localities that it considers necessary, subject to confirmation by the local county government, and shall adopt rules prescribing the qualifications and duties of firewardens that are in addition to those provided in 76-13-116.

(8) ~~By October 1, 2008, the~~ The department shall adopt rules addressing development within the wildland-urban interface, including but not limited to:

(a) best practices for development within the wildland-urban interface; and

(b) criteria for providing grant and loan assistance to local government entities to encourage adoption of best practices for development within the wildland-urban interface."

{Internal References to 76-13-104:
76-13-116}

NEW SECTION. **Section 59. {standard} Repealer.** Sections 7-11-1101, 7-11-1105, 7-11-1106, 7-11-1107, 7-11-1111, 7-12-4001, 7-13-201, 7-13-202, 7-13-203, 7-13-204, 7-13-205, 7-13-206, 7-13-207, 7-13-208, 7-13-209, 7-13-210, 7-13-211, 7-13-212, 7-13-213, 7-13-215, 7-13-216, 7-13-217, 7-13-218, 7-13-231, 7-13-232, 7-13-233, 7-13-234, 7-13-235, 7-13-236, 7-13-237, 7-13-301, 7-13-302, 7-13-303, 7-13-304, 7-13-305, 7-13-306, 7-13-307, 7-13-308, 7-13-309, 7-13-310, 7-13-311, 7-13-2501, 7-13-2502, 7-13-2503, 7-13-2504, 7-13-2505, 7-13-2506, 7-13-2507, 7-13-2508, 7-13-2509, 7-13-2510, 7-13-2521, 7-13-2527, 7-13-2528, 7-13-2529, 7-13-2541, 7-13-2542, 7-14-2701, 7-14-2702, 7-14-2703, 7-14-2704, 7-14-2705, 7-14-2706, 7-14-2707, 7-14-2708, 7-14-2709, 7-14-2710, 7-14-2711, 7-14-2712, 7-14-2713, 7-14-2714, 7-14-2715, 7-14-2716, 7-14-2717, 7-14-2718, 7-14-2719, 7-14-2720, 7-14-2721, 7-14-2731, 7-14-2732, 7-14-2733, 7-14-2734, 7-14-2735, 7-14-2736, 7-14-2737, 7-14-2738, 7-14-2739, 7-14-2740, 7-14-2741, 7-14-2742, 7-14-2743, 7-14-2744, 7-14-2745, 7-14-2746, 7-14-2751, 7-14-2752, 7-14-2753, 7-14-2754, 7-14-2755, 7-14-2756, 7-14-2757, 7-14-2758, 7-14-2759, 7-14-2760, 7-14-2761, 7-14-2762, 7-14-2763, 7-14-2901, 7-14-2902, 7-14-2903, 7-14-2907, 7-14-2908, 7-16-2201, 7-16-2202, 7-16-2203, 7-16-2205, 7-16-2211, 7-16-2212, 7-16-2213, 7-16-2214, 7-16-2215, 7-16-2216,

Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

7-16-2217, 7-16-2218, 7-16-2219, 7-16-2401, 7-16-2402, 7-16-2403,
7-16-2411, 7-16-2412, 7-16-2413, 7-16-2421, 7-16-2422, 7-16-2423,
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7-21-3406, 7-21-3407, 7-21-3408, 7-21-3409, 7-21-3410, 7-21-3412,
7-21-3413, 7-21-3421, 7-21-3422, 7-21-3423, 7-21-3424, 7-21-3425,
7-21-3426, 7-21-3427, 7-21-3428, 7-21-3429, 7-21-3430, 7-21-3431,
7-21-3432, 7-21-3433, 7-21-3434, 7-21-3435, 7-21-3451, 7-21-3452,
7-21-3453, 7-21-3454, 7-21-3455, 7-21-3456, 7-21-3457, 7-21-3458,
7-22-2207, 7-22-2208, 7-22-2209, 7-22-2210, 7-22-2211, 7-22-2212,
7-22-2213, 7-22-2214, 7-22-2215, 7-22-2216, 7-22-2221, 7-22-2222,
7-22-2223, 7-22-2224, 7-22-2225, 7-22-2226, 7-22-2231, 7-22-2232,
7-22-2233, 7-22-2401, 7-22-2402, 7-22-2403, 7-22-2405, 7-22-2408,
7-22-2409, 7-22-2410, 7-22-2411, 7-22-2415, 7-22-2416, 7-22-2417,
7-22-2418, 7-22-2419, 7-22-2420, 7-22-2431, 7-22-2432, 7-22-2433,
7-22-2434, 7-22-2441, 7-22-2442, 7-22-2443, 7-22-2444, 7-22-2445,
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7-33-2104, 7-33-2105, 7-33-2106, 7-33-2107, 7-33-2108, 7-33-2109,
7-33-2110, 7-33-2111, 7-33-2120, 7-33-2125, 7-33-2126, 7-33-2127,
7-33-2128, 7-33-2129, 7-33-2141, 7-33-2142, 7-33-2143, 7-33-2144,
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7-34-2108, 7-34-2109, 7-34-2110, 7-34-2111, 7-34-2112, 7-34-2113,
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Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

7-35-2107, 7-35-2108, 7-35-2109, 7-35-2110, 7-35-2111, 7-35-2112,
7-35-2113, 7-35-2114, 7-35-2115, 7-35-2116, 7-35-2121, 7-35-2122,
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7-35-4103, 7-35-4105, 7-35-4106, 7-35-4107, 7-35-4108, AND 7-35-
4109, MCA, are repealed.

{ Internal References to 7-11-1101: None.
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Unofficial Draft Copy

As of: September 5, 2008 (8:01am)

Appendix C

LC9208

7-21-3411 7-21-3457*

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NEW SECTION. **Section 60. {standard} Codification**

instruction. [Sections 1 through 20] are intended to be codified as an integral part of Title 7, and the provisions of Title 7 apply to [sections 1 through 20].

NEW SECTION. **Section 61. {standard} Saving clause.**

[Sections 1 through 20] do not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before July 1, 2009.

NEW SECTION. **Section 62. Transition.** By July 1, 2015, in

accordance with the provisions of [section 10], legal descriptions and boundary maps for all special districts, as defined in [section (2)(3)], in existence on the effective date of this act must be completed and submitted to the department of revenue by the governing body that created the special district.

NEW SECTION. **Section 63. {standard} Effective date.** [This

act] is effective July 1, 2009.

- END -

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Appendix C

LC9208

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**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act GENERALLY REVISING THE LAWS RELATING TO LOCAL GOVERNMENTS; ALLOWING CONTRACTING WITH PRIVATE INSTITUTIONS FOR THE SALE OF BONDS RELATED TO RURAL IMPROVEMENT DISTRICTS AND SPECIAL IMPROVEMENT DISTRICTS; AND REQUIRING THE REPORTING OF SPECIAL DISTRICT BOUNDARIES TO THE STATE FOR PURPOSES OF DIGITAL MAPPING; AMENDING 7-12-4204, MCA; AND PROVIDING AN EFFECTIVE DATE."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Definitions.** As used in [sections 4 and 5], the following definitions apply:

(1) "Governing body" means a legislative body of a town, city, county, or consolidated city-county government or any combination of these acting jointly.

(2) "Special district" means a unit of local government, authorized by law to perform a single function or a limited number of functions. The term includes but is not limited to conservation districts, water districts, weed management districts, irrigation districts, fire districts, hospital districts, sewer districts, transportation districts and districts created for any public or governmental purpose not specifically prohibited by law. The term also includes any

district or other entity formed to perform a single or limited number of functions by interlocal agreement.

Section 2. Section 7-12-2172, MCA, is amended to read:

"7-12-2172. Procedure to issue bonds and warrants. (1)

Subject to subsection (2), the ~~The~~ board of county commissioners shall sell bonds or warrants issued under the provisions of 7-12-2169 and 7-12-2171 through 7-12-2174, in an amount sufficient to pay that part of the total cost and expense of the improvements which is to be assessed against the ~~benefited~~ benefitted property within the district, to the highest and best bidder for cash, at a price, including interest to date of delivery, not less than that prescribed by the board in the resolution calling for the sale of the bonds or warrants. The board may fix the minimum price for the bonds or warrants in an amount less than the face value of the bonds or warrants if it determines that the sale is in the best interests of the district and the county.

(2) (a) Subject to subsection (2)(b), the ~~The~~ bonds or warrants may be sold at a private negotiated sale to the United States or the state of Montana, or an agency, instrumentality, corporation, or department thereof.

(b) Bonds up to \$1 million may be sold through private negotiated sale to a financial institution, as defined in 32-1-102, authorized to conduct business in the state of Montana.

(3) In all other cases, the provisions of 7-7-4251, 7-7-4252, and 7-7-4254 which relate to the notice of sale,

publication of notice, and manner and method of selling bonds by cities and towns, insofar as they are applicable and not in conflict with the provisions of this section and 7-12-2173, shall apply to, govern, and control the form of notice of sale, publication of notice, and manner and method of selling bonds or warrants."

{Internal References to 7-12-2172:

7-12-2169 x 7-12-2172* x 7-13-114* x 7-13-3043* x}

Section 3. Section 7-12-4204, MCA, is amended to read:

"7-12-4204. Procedure to issue bonds and warrants. (1)

Subject to subsection (2), the ~~The~~ city or town council shall sell bonds or warrants issued under the provisions of 7-12-4201, in an amount sufficient to pay that part of the total cost and expense of the improvements that is to be assessed against ~~benefited~~ benefitted property within the district, to the highest and best bidder for cash at a price, including interest to date of delivery, not less than that prescribed by the city council in the resolution calling for the sale of the bonds or warrants. The city council may fix the minimum price for the bonds or warrants in an amount less than face value if it determines that the sale is in the best interests of the district and the city.

(2) (a) Subject to subsection (2)(b), the ~~The~~ bonds or warrants may be sold at a private negotiated sale to the United States or the state of Montana or to an agency, instrumentality, corporation, or department of the state.

(b) Bonds up to \$1 million may be sold through private

negotiated sale to a financial institution, as defined in 32-1-102, authorized to conduct business in the state of Montana.

(3) In all other cases, the provisions of 7-7-4251, 7-7-4252, and 7-7-4254 with regard to the notice of sale, publication of notice, and manner and method of selling bonds by cities and towns, insofar as the same are applicable and not in conflict with the provisions of this section and 7-12-4205, apply to, govern, and control the form of notice of sale, publication of notice, and manner and method of selling the bonds or warrants."

{ Internal References to 7-12-4204:
7-12-4201 x }

NEW SECTION. Section 4. Additional reporting procedures -- coordination of information collection, transfer, and accessibility. (1) The governing body shall provide a legal description of a newly created special district and a map of its boundaries to the department of revenue within 60 days or by the following January first, whichever comes first.

(2) The department of revenue shall review the legal description and map of the boundaries for the approved special district and record the:

- (a) legal description of the special district;
- (b) date of the creation of the special district; and
- (c) book and page or document number as provided for in 7-4-2617.

(3) (a) The department of revenue shall transfer information

collected pursuant to this section to the department of administration.

(b) The department of revenue shall coordinate with the department of administration to develop procedures regarding the collection and transfer of special district information between the two agencies.

(c) The department of administration shall convert special district information received from the department of revenue to a digital format for land information purposes authorized in Title 90, chapter 1, part 4, that can be accessed through the department's Base Map Service Center's website and discovered through the Montana Geographic Information System portal at the Montana State Library.

NEW SECTION. **Section 5. Transition.** In accordance with the provisions of [section 4], legal descriptions and boundary maps for special districts in existence prior to the effective date of this act must be submitted to the department of revenue whenever their boundaries are altered. The governing body that created the special district is responsible for doing so.

NEW SECTION. **Section 6. {standard} Codification instruction.** [Sections 1 and 4] are intended to be codified as an integral part of Title 7, chapter 1, part 2, and the provisions of Title 7, chapter 1, part 2, apply to [sections 1 and 4].

NEW SECTION. **Section 7. {standard} Effective date.** [This

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Appendix D

LC9209

act] is effective July 1, 2009.

- END -

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