

Unofficial Draft Copy

As of: January 15, 2014 (7:45pm)

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**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act generally revising election laws; PART 3 SPECIAL PURPOSE DISTRICTS...."

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

Section 1. 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, Title 7, chapter 11, part 10, 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~~ election of board members must be conducted as provided in [section 1]. 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.

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(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.

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(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 Title 7, chapter 11, part 10, the governing body of the municipality shall comply with this section if the

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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 * 7-16-2301 * 7-16-4201
7-22-2103 * }

Section 2. 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) mosquito control board;
- (5) museum board;
- (6) board of park commissioners;
- (7) road district;
- (8) rodent control board;
- (9) solid waste district;
- (10) television district;
- (11) weed management district."

{*Internal References to 7-1-202:*

7-1-201 7-1-201 7-8-2103 * 7-16-2301 *
7-22-2103 * }

Section 3. Section 7-5-132, MCA, is amended to read:

"7-5-132. Procedure to exercise right of initiative or referendum. (1) ~~The electors~~ Registered electors residing within

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~~the boundaries of a local government may initiate and amend ordinances and, by petition, require submission of an amendment to an existing ordinances ordinance or the adoption or repeal of an ordinance~~ to a vote of the people ~~by petition at an election conducted as provided in [section 1]~~. If an approved petition containing sufficient signatures is filed prior to the ordinance's effective date or within 60 days after the passage of the ordinance, whichever is later, a petition requesting a referendum on the ordinance delays the ordinance's effective date until the ordinance is ratified by the electors. A petition requesting a referendum on an emergency ordinance filed within 60 days of the effective date of the ordinance suspends the ordinance until ratified by the electors.

(2) The governing body may refer an existing or proposed ~~ordinances ordinance~~ to a vote of the people by resolution.

(3) A petition for an initiative or resolution for ~~initiative or a~~ referendum must:

(a) embrace only a single comprehensive subject;

(b) set out fully the ordinance sought ~~by petitioners or, in the case of an amendment, set out fully,~~ the ordinance sought to be amended and the proposed amendment, ~~or, in the case of referendum, set out~~ the ordinance sought to be repealed;

(c) be in the form prescribed in Title 13, chapter 27, except as specifically provided in this part;

(d) contain the signatures of 15% of the registered electors of the local government; and

(e) contain transition provisions if the measure changes

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terms of office or forms of government."

{*Internal References to 7-5-132:*

3-10-101 *	3-11-101 *	7-1-4130 *	7-3-1204 *
7-5-131 *	7-5-134	7-6-1504	16-1-205 * }

Section 4. Section 7-5-136, MCA, is amended to read:

"7-5-136. Submission of question to electors. (1) (a) Any ordinance proposed by petition, any amended ordinance proposed by petition, or any referendum on Except as provided in this section, an initiative or referendum concerning an ordinance entitled to be submitted to the electors pursuant to 7-5-132 must be voted on at the local government's next regular primary or general election to be held in the local government unless:

(a)(b) The election must be held as a special election if:

(i) the petition proposing the initiative asks that the question be submitted at a special election, specifies the day of the election, and is signed by at least 25% of the electors of the local government, in which case the governing body shall call a special election to be held in conjunction with a regular or primary election; or

(b)(ii) the governing body calls for a special election on the question to be held in conjunction with a regular or primary election on the day specified in the resolution calling for the election.

(2)(a) A special An election under this section may not be held sooner than 75 days after the adequacy of the petition is determined by the election administrator or the governing body orders a special body's resolution ordering an election.

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~~(3)(b)~~ If the adequacy of the petition is determined by the election administrator less than 75 days prior to the next regular primary or general election, the election must be delayed until the following regular primary or general election unless a special election is called.

~~(4)~~ Whenever a measure is ready for submission to the electors, the appropriate election administrator shall in writing notify the governing body and shall publish notice of the election and the ordinance that is to be proposed or amended. In the case of a referendum, the ordinance sought to be repealed must be published.

~~(5)~~ The question must be placed on the ballot, giving the electors a choice between accepting or rejecting the proposal.

(3) The election must be conducted as provided in [section 1].

~~(6)(4)~~ If a majority of those voting favor the proposal, it becomes effective when the election results are officially declared unless otherwise stated in the proposal."

{*Internal References to 7-5-136:*

3-10-101 *	3-11-101 *	7-1-4130 *	7-3-1204 *
7-5-131 *	7-6-1504 *	7-13-4535	16-1-205 * }

SECTIONS 7-6-1531 AND 7-5-1538 ARE TO BE REPEALED AND INCORPORATED INTO 7-6-1501

Section 5. Section 7-6-1531, MCA, is amended to read:

"7-6-1531. Resort area district -- definitions. For the purposes of 7-6-1531 through 7-6-1550, unless the context requires otherwise, the following definitions apply:

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(1) "Board" means the board of directors of the resort area district.

(2) "Resort area" means a resort area created under 7-6-1508.

(3) "Resort area district" means a district created under 7-6-1531 through 7-6-1550 that has been established as a resort area under 7-6-1508."

{*Internal References to 7-6-1531:*

7-6-1506	7-6-1531 *	7-6-1531 *	7-6-1532 *
7-6-1535 *	7-6-1536 *	7-6-1537 *	7-6-1538 *
7-6-1541 *	7-6-1541 *	7-6-1542 *	7-6-1549 *
15-65-101 }			

Section 6. Section 7-6-1538, MCA, is amended to read:

"7-6-1538. Qualifications to vote on question of creating resort area district. A person is not entitled to vote at an election authorized by 7-6-1531 through 7-6-1550 unless the person possesses all of the qualifications required of electors under the general election laws of the state and is a resident of the proposed resort area district."

{*Internal References to 7-6-1538:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541 *	7-6-1542 *	7-6-1549 *	7-6-1549 }

Section 7. Section 7-6-1501, MCA, is amended to read:

"7-6-1501. ~~Resort tax -- definitions~~ Definitions. As used in ~~7-6-1501 through 7-6-1509~~ this part, the following definitions apply:

(1) "Board" means the board of directors of the resort area

district.

(2) "Luxuries" means any gift item, luxury item, or other item normally sold to the public or to transient visitors or tourists. The term does not include food purchased unprepared or unserved, medicine, medical supplies and services, appliances, hardware supplies and tools, or any necessities of life.

~~(2)~~(3) "Medical supplies" means items that are sold to be used for curative, prosthetic, or medical maintenance purposes, whether or not prescribed by a physician.

~~(3)~~(4) "Medicine" means substances sold for curative or remedial properties, including both physician prescribed and over-the-counter medications.

(5) "Qualified elector" means a person who is qualified to vote under 13-1-111 and is a resident of a resort community, resort area, or proposed or established resort area district.

~~(4)~~(6) "Resort area" means an area that:

(a) is an unincorporated area and is a defined contiguous geographic area;

(b) has a population of less than 2,500 according to the most recent federal census;

(c) derives the major portion of its economic well-being from businesses catering to the recreational and personal needs of persons traveling to or through the area for purposes not related to their income production; and

(d) has been designated by the department of commerce as a resort area prior to its establishment by the county commissioners as provided in 7-6-1508.

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(7) "Resort area district" means a district created under 7-6-1531 through 7-6-1550 that has been established as a resort area under 7-6-1508.

~~(5)~~(8) "Resort community" means a community that:

(a) is an incorporated municipality;

(b) has a population of less than 5,500 according to the most recent federal census;

(c) derives the primary portion of its economic well-being related to current employment from businesses catering to the recreational and personal needs of persons traveling to or through the municipality for purposes not related to their income production; and

(d) has been designated by the department of commerce as a resort community."

{Internal References to 7-6-1501:

7-6-1501 * 7-6-1502 * 7-6-1502 * 7-6-1551
7-6-1551 7-7-4424 * 16-4-420 }

Section 8. Section 7-6-1502, MCA, is amended to read:

"7-6-1502. Resort community taxing authority -- specific delegation. As required by 7-1-112, 7-6-1501 through 7-6-1507 specifically delegate to the qualified electors of each respective resort community the power to authorize their municipality to impose a resort tax within the corporate boundary of the municipality as provided in 7-6-1501 through 7-6-1507."

{Internal References to 7-6-1502:

7-6-1501 * 7-6-1502 * 7-6-1502 * 7-7-4424 * }

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Section 9. Section 7-6-1504, MCA, is amended to read:

"7-6-1504. Resort tax -- election required -- procedure -- notice. (1) A resort community or area may not impose or, except as provided in 7-6-1505, amend or repeal a resort tax unless the resort tax question has been ~~submitted to the electorate of the resort community or area and~~ approved by a majority of the qualified electors voting on the question.

(2) The resort tax question may be presented to the qualified electors of:

(a) a resort community by a petition of the electors as provided by 7-1-4130, 7-5-132, and 7-5-134 through 7-5-137 or by a resolution of the governing body of the resort community; or

(b) a resort area by a resolution of the board of county commissioners, following receipt of a petition of electors as provided in 7-6-1508.

(3) If a resort area is in more than one county, the resort tax question must be presented to and approved by the qualified electors in the resort area of each county.

(4) The petition or resolution referring the taxing question must state:

(a) the rate of the resort tax;

(b) the duration of the resort tax;

(c) the date when the tax becomes effective, which date may not be earlier than 35 days after the election; and

(d) the purposes that may be funded by the resort tax revenue.

(5) Upon receipt of an adequate petition, the governing

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body may:

~~— (a) call a special election on the resort tax question; or~~
~~— (b) have the resort tax question placed on the ballot at~~
the next regularly scheduled election shall hold an election as
provided in [section 1].

(6) ~~(a) Before the resort tax question is submitted to the~~
~~electorate of a resort community or area, the governing body of~~
~~the resort community or the board of county commissioners in the~~
~~county in which the resort area is located shall publish notice~~
~~of the goods and services subject to the resort tax, in a~~
~~newspaper that meets the qualifications of subsection (6)(b). The~~
~~notice must be published twice, with at least 6 days separating~~
~~publications. The first publication must be no more than 30 days~~
~~prior to the election and the last no less than 3 days prior to~~
~~the election~~ Notice of the election must be as provided in 13-1-
108 and must include the information listed in subsection (4).

~~(b) The newspaper must be:~~

~~— (i) of general, paid circulation with a second-class~~
~~mailing permit;~~

~~— (ii) published at least once a week; and~~

~~— (iii) published in the county where the election will take~~
~~place.~~

(7) The question of the imposition of a resort tax may not
be placed before the qualified electors more than once in any
fiscal year."

{Internal References to 7-6-1504:

7-6-1501 * 7-6-1502 * 7-6-1502 * 7-6-1503
7-6-1506 7-6-1508 7-6-1508 7-6-1509

7-6-1541 7-7-4424 * }

Section 10. Section 7-6-1505, MCA, is amended to read:

"7-6-1505. Resort tax administration. (1) In this section, "governing body" means:

(a) the governing body of a resort community;

(b) if the resort tax has been approved by the qualified electors of a resort area, the board of county commissioners; or

(c) if the qualified electors of the resort area establish a resort area district, the district board of directors.

(2) Not less than 30 days prior to the date that the resort tax becomes effective, the governing body shall enact an administrative ordinance governing the collection and reporting of the resort taxes. This administrative ordinance may be amended at any time as may be necessary to effectively administer the resort tax.

(3) The administrative ordinance must specify:

(a) the times that taxes collected by businesses are to be remitted to the governing body;

(b) the office, officer, or employee of the governing body responsible for receiving and accounting for the resort tax receipts;

(c) the office, officer, or employee of the governing body responsible for enforcing the collection of resort taxes and the methods and procedures to be used in enforcing the collection of resort taxes due; and

(d) the penalties for failure to report taxes due, failure

to remit taxes due, and violations of the administrative ordinance. The penalties may include:

(i) criminal penalties not to exceed a fine of \$1,000 or 6 months' imprisonment, or both;

(ii) civil penalties if the governing body prevails in a suit for the collection of resort taxes, not to exceed 50% of the resort taxes found due plus the costs and attorney fees incurred by the governing body in the action;

(iii) revocation of a county or municipal business license held by the offender; and

(iv) any other penalties that may be applicable for violation of an ordinance.

(4) The administrative ordinance may include:

(a) further clarification and specificity in the categories of goods and services that are subject to the resort tax consistent with 7-6-1503;

(b) authorization for business administration and prepayment discounts. The discount authorization may allow each vendor and commercial establishment to:

(i) withhold up to 5% of the resort taxes collected to defray their costs for the administration of the tax collection; or

(ii) receive a refund of up to 5% of the resort tax payment received from them by the governing body 10 days prior to the collection due date established by the administrative ordinance.

(c) other administrative details necessary for the efficient and effective administration of the tax."

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{*Internal References to 7-6-1505:*

7-6-1501 * 7-6-1502 * 7-6-1502 * 7-6-1504
7-7-4424 * }

Section 11. Section 7-6-1508, MCA, is amended to read:

"7-6-1508. Establishment of a resort area -- taxing authority -- approval by qualified electorate. (1) The establishment of a resort area for the purpose of imposing a resort tax may be initiated by a written petition to the board of county commissioners of the county in which the area is located. The petition must contain a description of the proposed resort area and must be signed by at least 15% of the qualified electors ~~residing in the proposed area.~~

(2) The petition must include a proposal to impose a resort tax within the proposed resort area, including the rate, duration, effective date, and purpose of the tax as provided in 7-6-1504.

(3) Upon receiving a petition to establish a resort area, the board of county commissioners shall present the question to the qualified electors ~~residing in~~ of the proposed resort area as provided in 7-6-1504."

{*Internal References to 7-6-1508:*

7-6-1501 * 7-6-1501 7-6-1504 7-6-1531
7-6-1531 7-6-1533 7-7-4424 * 15-65-101 }

Section 12. Section 7-6-1509, MCA, is amended to read:

"7-6-1509. Use of resort area tax. (1) (a) Except as provided in subsection (1)(b) or unless otherwise provided by the resolution approved by the qualified electors under 7-6-1504, the

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board of county commissioners shall appropriate and spend revenue derived from a resort area tax for the purpose stated in the resolution.

(b) If the qualified 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.

(2) If the qualified electors of a resort area have not established a resort area district, the resort area shall reimburse the board of county commissioners for costs associated with the collection, administration, and litigation of the resort area tax."

{*Internal References to 7-6-1509:*
7-6-1501 7-7-4424 }

Section 13. Section 7-6-1532, MCA, is amended to read:

"7-6-1532. Resort area district authorized. ~~Electors residing within the boundaries~~ The qualified electors of a resort area may create a resort area district by proceeding under the provisions of 7-6-1531 through 7-6-1550."

{*Internal References to 7-6-1532:*
7-6-1531 * 7-6-1531 * 7-6-1532 * 7-6-1535 *
7-6-1536 * 7-6-1537 * 7-6-1538 * 7-6-1541 *
7-6-1541 * 7-6-1542 * 7-6-1549 * }

Section 14. Section 7-6-1533, MCA, is amended to read:

"7-6-1533. Petition to create resort area district. (1) ~~Electors residing within~~ The qualified electors of a resort area may present, at a regular meeting, a petition requesting the

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establishment of a resort area district to the board of county commissioners of the county in which the proposed resort area district is located. The petition must be signed by at least 10% of the ~~registered voters within~~ qualified electors of the resort area.

(2) When the area to be included within the proposed resort area district lies in more than one county, the qualified electors ~~within a resort area~~ shall present a petition to the board of county commissioners in each county. Each petition must contain the signatures of at least 10% of the ~~registered voters of the resort area that lies within~~ qualified electors of that county.

(3) The petition must include a description or map of the existing resort area boundaries. The petition may not describe proposed resort area district boundaries that are different from the existing resort area boundaries designated pursuant to 7-6-1508."

{*Internal References to 7-6-1533:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1534
7-6-1534	7-6-1535 *	7-6-1535	7-6-1536 *
7-6-1537 *	7-6-1538 *	7-6-1541 *	7-6-1541 *
7-6-1542 *	7-6-1549 *	}	

Section 15. Section 7-6-1536, MCA, is amended to read:

"7-6-1536. Resort area district -- election required -- notice. (1) Upon a determination that the petition complies with the provisions of 7-6-1531 through 7-6-1550, the board of county commissioners of each county in which the resort area lies shall ~~give notice of an election to be held in the proposed resort area~~

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~~district for the purpose of determining whether a resort area district should be created. The election must be held in conjunction with a regular or primary election~~ hold an election as provided in [section 1].

(2) Notice of the election must be made as provided in 13-1-108 and must:

(a) describe the purpose of the proposed resort area district; and

(b) state the name of the proposed resort area district, which must include the words "resort area district".

{*Internal References to 7-6-1536:*
7-6-1531 * 7-6-1531 * 7-6-1532 * 7-6-1535 *
7-6-1536 * 7-6-1537 * 7-6-1538 * 7-6-1541 *
7-6-1541 * 7-6-1542 * 7-6-1549 * }

REPEAL 7-6-1537. SEE SECTION 1.

Section 16. Section 7-6-1537, MCA, is amended to read:

"7-6-1537. Conduct of election on question of creating resort area district. The election on the question of creating a resort area district must be conducted as provided by Title 13 with respect to general and school elections, except as otherwise provided by 7-6-1531 through 7-6-1550."

{*Internal References to 7-6-1537:*
7-6-1531 * 7-6-1531 * 7-6-1532 * 7-6-1535 *
7-6-1536 * 7-6-1537 * 7-6-1538 * 7-6-1541 *
7-6-1541 * 7-6-1542 * 7-6-1549 * 7-6-1551 }

Section 17. Section 7-6-1542, MCA, is amended to read:

"7-6-1542. Resort area district board powers related to administration and expenditure of resort tax revenue -- authorization to issue bonds -- election -- restrictions. (1) The board of a resort area district ~~created under 7-6-1531 through 7-6-1550~~ may:

(a) appropriate and expend revenue from a resort tax for any activity, undertaking, or administrative service authorized in the resolution creating a resort area and adopting a resort tax;

(b) adopt administrative ordinances necessary to aid in the collection or reporting of resort taxes and in the expenditure of resort tax revenue; and

(c) except as provided in subsection (2), if approved by four of the five board members, issue bonds to provide, install, or construct any of the public facilities, improvements, or capital projects authorized as provided in subsection (1)(a) and pledge for repayment of the bonds the revenue derived from the resort tax.

(2) A resort area district may not issue bonds to construct any single-purpose public facility, improvement, or capital project in an amount exceeding \$500,000 without the approval of a majority of the qualified electors ~~residing within the boundaries of the resort area district~~ voting at a special an election at a time to be determined by the board. For the purpose of this subsection, the board may authorize a special election by majority vote held as provided in [section 1].

(3) The provisions of 7-6-1506(3) apply to the issuance of

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bonds by a resort area district, and the board shall conclude that the projected useful life of the public facilities, improvements, or capital projects will be greater than the term of the bonds that were issued to construct the public facilities, improvements, or capital projects.

(4) Resort tax revenue that is pledged by a resort area district to the repayment of bonds must be sufficient to pay the principal and interest on the bonds in each year when the principal and interest is due. Bonds do not constitute debt for the purpose of any statutory debt limitation. A resort area district may not issue bonds pledging proceeds of the resort tax for repayment unless the board in the resolution authorizing issuance of the bonds determines that the annual principal and interest payment on the bonds issued will not cumulatively exceed 25% of the average of resort tax revenue received by the district during the preceding 5 years. Bonds may not be issued for a term longer than the remaining duration of the resort area district."

{*Internal References to 7-6-1542:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541	7-6-1541 *	7-6-1542 *	7-6-1549 * }

Section 18. Section 7-6-1544, MCA, is amended to read:

"7-6-1544. Resort area district board -- election -- term.

(1) The ~~first~~ election of the board must be held ~~at the next regular, primary, or school election immediately succeeding the creation of the resort area district. Each succeeding election must be held every 2 years to coincide with the election for~~

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~~local government officials as provided in 13-1-104(2) as provided in [section 1].~~

(2) A petition of nomination, signed by at least five electors from within the resort area district, may be filed with the election administrator in any county containing a portion of the resort area district. A nominating petition must be filed between 135 days and 75 days before the election within the time period specified in 13-10-201.

(3) (a) If the number of candidates filing a petition is insufficient to complete board membership, the existing board shall appoint as many members as are needed to complete the five-member board.

~~(b) An appointee to the board must be elected by a majority of those voting at the election conducted under 13-1-104 immediately following the appointment. If an appointee does not receive a majority of votes cast in the election, the appointee's term expires, and the board shall initiate the process described in this subsection (3).~~

~~(c) The term of a resort area district board member appointed and subsequently elected under the provisions of this subsection (3) is 4 years."~~

{*Internal References to 7-6-1544:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541 *	7-6-1542 *	7-6-1543	7-6-1549 *
7-6-1551 *	}		

REPEAL 7-6-1545. SEE 7-6-1537.

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Section 19. Section 7-6-1548, MCA, is amended to read:

"7-6-1548. Referendum to dissolve resort area district. (1)

Upon receipt of a petition to dissolve the resort area district, signed by more than 50% of the qualified electors of the resort area district, the board shall set a date for a public hearing on dissolution of the resort area district. The hearing date may not be fewer than 45 days or more than 60 days after the date on which the board schedules the date of the hearing. A notice of the public hearing on dissolution must be published as provided in 7-1-2121. The published notice must include notice to creditors of the resort area district to present claims owed by the resort area district to the board prior to the date set for the dissolution hearing.

(2) After the hearing, the board shall submit the question of the resort area district's dissolution to a vote of the qualified electors voting in an election conducted as provided in [section 1]."

{*Internal References to 7-6-1548:*

7-6-1531 *	7-6-1531 *	7-6-1532 *	7-6-1535 *
7-6-1536 *	7-6-1537 *	7-6-1538 *	7-6-1541 *
7-6-1541 *	7-6-1542 *	7-6-1549 *	}

REPEAL 7-6-1549. SEE 7-6-1537 and 7-6-1538.

Section 20. Section 7-6-1551, MCA, is amended to read:

"7-6-1551. Annexation of property into resort area

district. (1) Property may be annexed into a resort area district as provided in this section.

(2) The resort area district board may recommend that

property contiguous to an existing resort area district be annexed into the resort area district.

(3) If the board recommends annexation, the board shall submit its recommendation to the board of county commissioners, along with a description or map of the existing district and a description or map of the area proposed to be annexed.

(4) (a) Upon receipt of the resort area district board's recommendation, the board of county commissioners shall submit the description or map of the existing district and the description or map of the area proposed to be annexed into the resort area district to the department of commerce, along with a review fee of \$250 and any other information required by the department as necessary to determine whether the existing district with the proposed annexation qualifies as a resort area under 7-6-1501.

(b) The department of commerce shall determine whether the existing district with the proposed annexation qualifies as a resort area under 7-6-1501 and shall notify the board of county commissioners of its determination. If the existing district with the proposed annexation does not qualify as a resort area, the board of county commissioners may take no further action on the proposed annexation for a period of at least 1 year. If the existing district with the proposed annexation does qualify as a resort area, the board of county commissioners shall give notice of an election to be held in the area proposed to be annexed.

(5) ~~The board of county commissioners shall give notice of the election to be held in the area proposed to be annexed. The~~

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~~election must be held in conjunction with a regular or primary election and must be conducted as provided in 7-6-1537 as provided in [section 1].~~

~~(6) A person is not entitled to vote at an election on the proposed annexation unless the person possesses all of the qualifications required of electors under the general election laws of this state and is a resident of the area proposed to be annexed.~~

~~(7)~~(6) If a majority of the votes cast on the question of annexation of the property into the resort area district by the qualified electors are in favor of the annexation, the board of county commissioners shall enter into its minutes an order, by resolution, annexing the property into the district and shall cause to be created a map of the district that includes the annexed area. Immediately following the adoption of the resolution, the board of county commissioners shall file with the secretary of state and the county clerk and recorder a copy of the resolution and the map.

~~(8)~~(7) The secretary of state shall issue a certificate of incorporation as provided in 7-6-1540.

~~(9)~~(8) The resort area district board that governed the district before annexation shall continue to operate, and the members shall continue to serve the members' terms. Upon occurrence of a vacancy or the expiration of a member's term, residents of the area that has been annexed are eligible for election or appointment to the board under the provisions of 7-6-1543 through 7-6-1546.

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~~(10)~~(9) If the area proposed to be annexed includes property in more than one county, the boards of county commissioners of each county shall comply with the provisions of this section."

{*Internal References to 7-6-1551: None.*}

Section 21. Section 7-7-2223, MCA, is amended to read:

"7-7-2223. Election required for issuance of certain bonds.

(1) County bonds for any purpose other than those enumerated in 7-7-2221 and 7-7-2311 may not be issued unless authorized at a ~~special~~ an election that is conducted by ~~mail ballot, as provided in Title 13, chapter 19, at a special~~ an election held in conjunction with a regular or primary election, or at a general election at which the question of issuing the bonds is submitted to the registered electors of the county and approved as provided in 7-7-2237 as provided in [section 1].

(2) A bond election may not be called unless the board of county commissioners:

(a) initiates and unanimously adopts a resolution in accordance with the provisions of 7-7-2227(2); or

(b) receives a petition, delivered and certified by the election administrator, asking that the election be held and the question be submitted. The petition must be signed by at least 20% of the registered electors of the county."

{*Internal References to 7-7-2223:*
7-7-2227 7-7-2228 }

Section 22. Section 7-7-2227, MCA, is amended to read:

"7-7-2227. Examination of petition -- resolution calling for election. (1) Upon delivery of the certified petition, the board shall carefully examine the petition and make any other investigation that it may consider necessary. If it is found that the petition is in proper form, bears the requisite number of signers of qualified petitioners, and is in all other respects sufficient, the board shall pass and adopt a resolution that contains the provisions of subsection (2) plus the essential facts in regard to the petition and its filing and presentation.

(2) The resolution must:

(a) recite the purpose or purposes for which the bonds are proposed to be issued;

(b) fix the exact amount of bonds proposed to be issued for each purpose, which amount may be less than but must not exceed the amount set forth in the petition;

(c) determine the number of years through which the bonds are to be paid, not exceeding the limitations fixed in 7-7-2206; and

(d) make provision for having the question submitted to the registered electors of the county at ~~the next general election or at a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or that is held in conjunction with a regular or primary election and that the board may call for that purpose~~ an election conducted as provided in [section 11].

(3) Whenever a board of county commissioners initiates a resolution in accordance with the provisions of 7-7-2223, the

resolution must contain the provisions of subsection (2)."

{*Internal References to 7-7-2227:*
7-7-2223 }

Section 23. Section 7-7-2229, MCA, is amended to read:

"7-7-2229. Notice of election. (1) ~~Whether the election is held at the general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election, separate notice of the election must be given~~ Notice of a bond election must be provided as required in 13-1-108.

(2) (a) The notice must state:

(i) the date when the election will be held;

(ii) the amount of bonds proposed to be issued;

(iii) the purpose of the issue;

(iv) the term of years through which the bonds are to be paid; and

(v) other information regarding the holding of the election and the bonds proposed to be issued that the board may consider proper.

(b) If bonds are to be issued for two or more purposes, each purpose and the amount for each purpose must be separately stated.

~~(3) The notice must be published as provided in 13-1-108."~~

{*Internal References to 7-7-2229: None.*}

Section 24. Section 7-7-2237, MCA, is amended to read:

"7-7-2237. Percentage of electors required to authorize bond issue. Whenever the question of issuing county bonds for any purpose is submitted to the registered electors of a county at a ~~general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election~~ an election conducted pursuant to 7-7-2223, the determination of the approval or rejection of the bond proposition is made in the following manner:

(1) determine the total number of electors who were qualified to vote in the bond election;

(2) determine the total number of qualified electors who voted in the bond election from the tally sheet or sheets for the election;

(3) calculate the percentage of qualified electors voting at the bond election by dividing the number determined in subsection (2) by the number determined in subsection (1); and

(4) when the calculated percentage in subsection (3) is 40% or more, the bond proposition is considered approved and adopted if a majority of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(5) when the calculated percentage in subsection (3) is more than 30% but less than 40%, the bond proposition is considered approved and adopted if 60% or more of the votes cast were in favor of the proposition, otherwise it is considered rejected; or

(6) when the calculated percentage in subsection (3) is 30%

or less, the bond proposition is considered rejected."

{Internal References to 7-7-2237:
7-7-2223 7-7-2238 }

Section 25. Section 7-7-2404, MCA, is amended to read:

"7-7-2404. Notice of election. Notice of the election, clearly stating the amount to be raised and the object of the loan, must be given ~~in all respects in the manner prescribed by law in regard to the submission of questions to the electors of a locality under the general election law~~ as provided in 13-1-108."

{Internal References to 7-7-2404: None.}

Section 26. Section 7-7-2405, MCA, is amended to read:

"7-7-2405. Form of ballots. ~~There must be written or printed on the ballots the~~ the words "For the loan" and "Against the loan", ~~and in voting, the elector shall vote for the proposition that the elector prefers by making an X opposite the proposition~~ must appear on the ballot."

{Internal References to 7-7-2405: None.}

Section 27. Section 7-7-2406, MCA, is amended to read:

"7-7-2406. Conduct of election and canvass of results. The election must be held and conducted and the returns must be made in all respects in the manner prescribed ~~by law in regard to the submission of questions to the electors of a locality under the general election law~~ in Title 13."

{Internal References to 7-7-2406: None.}

Section 28. Section 7-7-4226, MCA, is amended to read:

"7-7-4226. Resolution to submit question of issuing bonds to voters. (1) When the governing body of any municipality considers it necessary to issue bonds pledging the general credit of the municipality pursuant to a statute of this state, the governing body shall pass and adopt a resolution.

(2) The resolution must:

(a) recite the purpose or purposes for which it is proposed to issue the bonds;

(b) fix the amount of bonds to be issued for each purpose;

(c) determine the number of years through which the bonds are to be paid, not exceeding the limits fixed in 7-7-4205; and

(d) unless the bonds are revenue bonds not pledging the general credit of the municipality, make provisions that are necessary for submitting the question to the registered electors of the city or town at ~~the next general city or town election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election and that the governing body may call for the purpose~~ an election conducted as provided in [section 1].

(3) Whenever the bond issuance is proposed by petition, the governing body shall, before submitting the measure to the electors, pass a resolution containing the information required in this section and setting forth the essential facts in regard to the filing and presentation of the petition."

{Internal References to 7-7-4226: None.}

Section 29. Section 7-7-4227, MCA, is amended to read:

"7-7-4227. Notice of election. (1) ~~Whether the election is held at the general city or town election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election, separate notice of the election must be given~~ Notice of the election must be provided as required in 13-1-108.

(2) (a) The notice must state:

(i) the date when the election will be held;

(ii) the amount of bonds proposed to be issued;

(iii) the purpose of the bonds;

(iv) the term of years through which the bonds will be paid;

and

(v) other information regarding the election and the proposed bonds that the board may consider proper.

(b) If the bonds that are proposed to be issued are for two or more purposes, each purpose and the amount for each purpose must be separately stated.

~~(3) The notice must be published as provided in 13-1-108 and may be posted in each voting precinct in the city or town at least 10 days prior to the date for holding the election."~~

{Internal References to 7-7-4227: None.}

Section 30. Section 7-7-4235, MCA, is amended to read:

"7-7-4235. Percentage of electors required to authorize issuing of bonds. Whenever the question of issuing bonds for any purpose is submitted to the registered electors of a city or town ~~at a general election, at an election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election,~~ the determination of the approval or rejection of the bond proposition is made by a majority of the votes cast on the issue."

{*Internal References to 7-7-4235:*
7-7-4236 }

Section 31. Section 7-7-4426, MCA, is amended to read:

"7-7-4426. Authorization for undertaking and issuance of bonds. (1) The acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking may be authorized under this part.

(2) Bonds may be authorized to be issued under this part by resolution or resolutions of the governing body of the municipality:

(a) without an election; or

(b) when authorized by a majority of the qualified electors voting upon the question at ~~a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or that is held in conjunction with a regular or primary election, if the governing body in its sole discretion chooses to submit the question to the electorate~~ an election conducted as provided in

[section 1], subject to 7-7-4427."

{*Internal References to 7-7-4426:*
76-15-506 }

Section 32. Section 7-7-4427, MCA, is amended to read:

"7-7-4427. Special Time limit for election on question of issuing bonds. ~~(1) When the governing body has chosen to submit the question of issuing bonds to the electorate, the special election must be conducted by mail ballot, as provided in Title 13, chapter 19, or must be held in conjunction with a regular or primary election and must be noticed and conducted as provided for municipal general obligation bonds in chapter 7, part 42.~~
~~——(2) The special election must be held not later than the next municipal general election day established in 13-1-104(3) that is held after the council or governing body of the municipality has by resolution or resolutions approved the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of any undertaking as provided in this part has and ordered the special election."~~

{*Internal References to 7-7-4427:*
76-15-506 }

Section 33. Section 7-8-4201, MCA, is amended to read:

"7-8-4201. Disposal or lease of municipal property. (1) Subject to the provisions of subsection (2), the city or town council may sell, dispose of, donate, or lease any property belonging to the city or town.

(2) (a) Except for property described in subsection (3),

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the lease, donation, or transfer must be made by an ordinance or resolution passed by a two-thirds vote of all the members of the council.

(b) Except for property acquired by tax deed or property described in subsection (3), if the property is held in trust for a specific purpose, the sale or lease must be approved by a majority vote of the electors of the municipality voting at an election called for that purpose. The election must be held ~~in conjunction with a regular or primary election~~ as provided in [section 1].

(3) If a city or town owns property containing a historically significant building or monument, the city or town may sell or give the property to nonprofit organizations or groups that agree to restore or preserve the property. The contract for the transfer of the property must contain a provision that:

(a) requires the property to be preserved in its present or restored state upon any subsequent transfer; and

(b) provides for the reversion of the property to the city or town for noncompliance with conditions attached to the transfer.

(4) This section may not be construed to abrogate the power of the board of park commissioners to lease all lands owned by the city that were acquired for parks within the limitations prescribed by 7-16-4223.

(5) A city or town may donate land or sell the land at a reduced price to a corporation for the purpose of constructing:

(a) a multifamily housing development operated by the corporation for low-income housing;

(b) single-family houses. Upon completion of a house, the corporation shall sell the property to a low-income person who meets the eligibility requirements of the corporation. Once the sale is completed, the property becomes subject to taxation.

(c) improvements to real property or modifying, altering, or repairing improvements to real property that will enable the corporation, subject to the restrictions of Article X, section 6, of the Montana constitution, to pursue purposes specified in the articles of incorporation of the corporation, including the sale, lease, rental, or other use of the donated land and improvements.

(6) Land that is transferred pursuant to subsection (5) must be used to permanently provide low-income housing. The transfer of the property may contain a reversionary clause to reflect this condition."

{*Internal References to 7-8-4201: None.*}

Section 34. Section 7-10-101, MCA, is amended to read:

"7-10-101. Regional resource authorities -- purpose -- definition. (1) ~~Electors residing within the boundaries of a proposed regional resource authority~~ Qualified electors may create or expand an authority by proceeding under the provisions of this chapter.

(2) Regional resource authorities may be created to provide for collaboration and coordination in the conservation of water resources or in the management of water resources for

agricultural and recreational uses.

(3) For the purposes of this chapter, a "qualified elector" is a person who is qualified to vote under 13-1-111 and is a resident of a proposed or established regional resource authority."

{*Internal References to 7-10-101: None.*}

Section 35. Section 7-10-102, MCA, is amended to read:

"7-10-102. Authorization Petition to create or expand regional resource authorities. (1) A petition requesting the establishment or expansion of a regional resource authority must be signed by at least 10% of the ~~registered~~ qualified electors ~~within the boundaries~~ of the territory proposed to be organized into the authority or expansion and must be presented to the board of county commissioners of the county in which the proposed authority or expansion is located.

(2) When the area to be included within the proposed authority or expansion lies in more than one county, the qualified electors within of the proposed area shall present a petition to the board of county commissioners in each county. Each petition must contain the signatures of at least 10% of the ~~registered~~ qualified electors ~~within the boundaries~~ of the proposed authority or expansion that lies within that county.

(3) The petition must include:

(a) a legal description or map of the proposed authority or expansion boundaries. Boundaries must coincide with the boundaries of political subdivisions of the state to the greatest

extent possible and may exclude incorporated cities or towns.

(b) the proposed name of the authority;

(c) a statement that there is a need in the interest of the public health, safety, and welfare for an authority to function or expand in the territory described in the petition;

(d) a request that ~~a referendum~~ an election be held in the territories included within the proposed boundaries on the question of creating or expanding the authority; and

(e) the structure of the governing body for the authority as provided in 7-10-110.

(4) Land, water, projects, as defined in 7-10-201, or other resources within the exterior boundaries of an Indian reservation may not be included within the boundaries of a regional resource authority without the consent of the governing body of the tribe of the Indian reservation."

{*Internal References to 7-10-102:*
7-10-103 7-10-103 7-10-104 }

Section 36. Section 7-10-104, MCA, is amended to read:

"7-10-104. Regional resource authority or expansion -- election required -- notice. (1) Upon a determination that the petition complies with the provisions of 7-10-102, the board of county commissioners of each county in which the proposed regional resource authority or expansion lies shall give notice of an election to be held within the boundaries of the proposed authority or expansion for the purpose of determining whether a regional resource authority should be created or expanded. The

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election must be held ~~in conjunction with a regular or election~~
as provided in [section 1].

(2) Notice of the election must be made as provided in
13-1-108 and must:

(a) describe the purpose of the proposed authority or
expansion; and

(b) state the name of the proposed authority.

~~(3) The election on the question of creating or expanding a
regional resource authority must be conducted as provided by
Title 13 with respect to general and school elections.~~

~~——(4) If the proposed authority or expansion lies in more
than one county, the board of county commissioners whose county
contains the largest percentage of the territory of the proposed
authority or expansion shall administer the election and canvass
the returns."~~

{*Internal References to 7-10-104:*
7-10-110 }

Section 37. Section 7-10-110, MCA, is amended to read:

"7-10-110. Governing body of regional resource authority.

(1) The initial members of the local governing body must be
appointed by the county commissioners in the county ~~where the
election is administered~~ pursuant to 7-10-104~~(4)~~, based on the
recommendations of the petitioners.

(2) The commissioners shall appoint members of the
governing body to staggered 2-year and 4-year terms.

(3) The appointments under subsection (1) must be made

within 30 days after the adoption of the resolution for creation provided for in 7-10-105.

(4) Prior to the expiration of the initial appointments, the governing body shall divide itself into districts from which subsequent board members are elected to succeeding terms. The election of the members must be conducted as provided in [section 1]."

{*Internal References to 7-10-110:*
7-10-102 }

Section 38. Section 7-11-1003, MCA, is amended to read:

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

(a) the governing body may:

(i) create a special district by resolution; or

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

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

(2) (a) (i) Upon receipt of a petition to institute the creation of a special district that is signed by at least 25% of the registered voters or by the owners of at least 25% of the real property within the boundary of the proposed special district and that is submitted to the clerk of the governing

body, the governing body shall order ~~a referendum~~ an election on the creation of the special district pursuant to 7-11-1011.

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

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

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

(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 either the street address or the legal description, whichever the signatory prefers, 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 or maintenance program within the special district;

(v) include a 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 60 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."

{*Internal References to 7-11-1003:*
7-11-1007 7-11-1007 7-11-1023 7-13-2512 }

Section 39. Section 7-11-1008, MCA, is amended to read:

"7-11-1008. Right to protest -- procedure -- hearing. (1)

An owner of property that is liable to be assessed for the program or improvements in the proposed special district has 60 days from either the date of the first publication of the notice of passage of the resolution of intention or the date the protest

form provided for in subsection (2)(c) was sent to property owners, whichever is later, to make a written protest against the proposed program or improvements.

(2) (a) A property owner may register a written protest under either subsection (2)(b) or (2)(c).

(b) A property owner may register a written protest in any format in conformity with this section. The protest must identify the property in the district owned by the protestor by either its street address or its legal description, whichever the property owner prefers, be signed by a majority of the owners of that property, and be delivered to the clerk of the governing body, who shall endorse on the protest the date of receipt.

(c) The governing body shall send each person referred to in 7-11-1007(3)(c) a protest form with space for any information required under subsection (2)(b) of this section, mailing instructions, and the date the form must be returned to the governing body. The form must specify that if it is not returned, the owner's lack of action must be construed as support of the creation of the special district. The form must allow a property owner to select either support for or opposition against the creation of the district. However, if an owner does not make a selection of support or opposition and returns the form to the governing body, it must be construed as a protest of the creation of the special district.

(3) (a) For purposes of this section, "owner" means, as of the date a protest is filed, a record owner of fee simple title to the property or a contract buyer on file with the county clerk

and recorder.

(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 7-11-1027.

(5) (a) At the hearing provided for in 7-11-1007, the governing body shall consider all protests.

(b) If the protest is made by the owners of property in the proposed district to be assessed for:

(i) 50% or more of the cost of the proposed program or improvements, in accordance with the method or methods of assessment, further proceedings may not be taken by the governing body for at least 12 months; or

(ii) more than 10% but less than 50% of the cost of the proposed program or improvements, in accordance with the method or methods of assessment, and if the governing body decides to proceed with proposing the district, the governing body shall order ~~a referendum~~ an election in accordance with 7-11-1011.

(c) 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.

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

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

{*Internal References to 7-11-1008:*

7-11-1003 7-11-1013 7-11-1023 7-13-2512 }

Section 40. Section 7-11-1011, MCA, is amended to read:

"7-11-1011. Referendum -- conduct of election on creating special district. (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 resolution ordering 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 7-11-1007(2)(e) and 7-11-1024;

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

(c) a 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~~ election must be conducted as provided in [section 1].

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

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~~(5) Except as provided in subsection (6), an An individual is entitled to vote on the proposition if the individual:~~

~~(a) meets all qualifications required of electors under the general election laws is a registered elector 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 election 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)(6) If the referendum proposition is approved, the election administrator of each county shall:~~

~~(a) immediately file with the secretary of state a certificate stating that the proposition was adopted;~~

~~(b) record the certificate in the office of the clerk and recorder of the county or counties in which the special district is situated; and~~

~~(c) notify any municipalities lying within the boundaries of the special district."~~

{Internal References to 7-11-1011:

7-11-1003	7-11-1003	7-11-1008	7-11-1012
7-11-1013	7-11-1013	7-11-1023 * }	

Section 41. Section 7-12-4243, MCA, is amended to read:

"7-12-4243. Procedure to create and maintain supplemental revolving fund -- election required -- qualified electors defined. (1) (a) A supplemental revolving fund may be created by ordinance, subject to the approval of a majority of the qualified electors ~~voting upon the question at a general election or a special election held in conjunction with a regular or primary election~~ at an election held as provided in [section 1].

(b) As used in 7-12-4241 through 7-12-4258, "qualified electors" means registered electors of the municipality.

(2) The supplemental revolving fund must be created and maintained solely from the net revenue of parking meters. The ordinance may pledge to the revolving fund all or any part of the net revenue of parking meters owned, leased, rented, or acquired by the city or town. The ordinance must contain any provisions concerning the purchase, control, operation, repair, and maintenance of parking meters, including rates to be charged, and the application of the net revenue from the meters and the management and use of the supplemental revolving fund that the council considers necessary."

{ *Internal References to 7-12-4243:*

7-12-4241 *	7-12-4242 *	7-12-4243 *	7-12-4244 *
7-12-4245 *	7-12-4247 *	7-12-4247 *	7-12-4248 *
7-12-4248 *	7-12-4250 *	7-12-4251 *	7-12-4252 *
7-12-4256 *	}		

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Section 42. Section 7-13-2201, MCA, is amended to read:

"7-13-2201. Definitions. ~~(1) The word "board" and the words~~
As used in this part and part 23, unless the context clearly
requires otherwise, the following definitions apply:

(1) "Board or "boards of directors" apply to means the
board of directors of the district elected or appointed as
provided in 7-13-2221.

(2) ~~The term "county"~~ "County" means one or more counties
and includes a city and within the county or counties.

(3) ~~The word "district", unless otherwise expressed or~~
~~used, applies to~~ "District" mean a district formed under the
provisions of this part and part 23. A district is a unit of
local government separate and distinct from a municipality, but a
district may be treated as a municipality when applying for a
grant, a loan, or other financial assistance from the state.

(4) ~~The term "municipality", as used in this part and part~~
~~23, includes~~ "Municipality" means a municipality or a
consolidated city and county, city, or town and includes all
corporations organized for municipal purposes within ~~the~~
districts a district.

(5) "Qualified elector" means:

(a) a person eligible to vote under 13-1-111 and a resident
of the proposed or established district;

(b) a person who is the owner of real property within the
proposed or established district and is registered to vote in
Montana or any other state; or

(c) the president, vice-president, or secretary of a

corporation who owns real property within the district."

{*Internal References to 7-13-2201: None.*}

Section 43. Section 7-13-2208, MCA, is amended to read:

"7-13-2208. Decision on petition -- election required -- exception. (1) On the final hearing provided for in 7-13-2206, the board of county commissioners shall make any changes in the proposed boundaries within the county that are considered advisable and shall define and establish the boundaries. The board of county commissioners may not modify the boundaries in a manner that would exclude from the proposed district any territory that would benefit from the formation of the district. Land that will not, in the judgment of the board of county commissioners, benefit from the district may not be included within the proposed district.

(2) Upon the final determination of the boundaries of the district, the board of county commissioners of each county in which the district lies shall ~~give notice of an election to be held in the proposed district~~ hold an election for the purpose of determining whether the district is to be incorporated, except as provided in subsection (3). The election 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~~ conducted as provided in [section 1].

(3) An election is not required if the petition for the creation of the district is signed by the owners of all of the real property in the proposed district. If an election is not

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held, upon the final determination of the boundaries of the district, the board of county commissioners of each county in which the district lies shall, by an order entered on its minutes, declare the territory enclosed within the proposed boundaries as an organized county water and/or sewer district. The county clerk and recorder shall forward a certified copy of the order to the secretary of state."

{*Internal References to 7-13-2208:*
7-13-2210 7-13-2215 75-5-601 * }

REPEAL 7-13-2212. SEE DEFINITION OF QUALIFIED ELECTOR IN SECTION 28 AMENDING 7-13-2201.

Section 44. Section 7-13-2212, MCA, is amended to read:

"7-13-2212. Qualifications to vote on question of creating district. (1) Except as provided in subsection (2), an individual is not entitled to vote at any election under the provisions of part 23 and this part unless the individual possesses all the qualifications required of electors under the general election laws of the state and is a resident of the proposed district or the owner of taxable real property located within the county in which the individual proposes to vote and situated within the boundaries of the proposed district.

(2) An individual who is the owner of the real property described in subsection (1) need not possess the qualifications required of an elector in 13-1-111(1)(c), provided that the elector is qualified if registered to vote in any state of the United States and files proof of registration with the election

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administrator at least 40 days prior to the election in which the individual intends to vote."

{*Internal References to 7-13-2212:*
7-13-2273 7-13-2328 75-5-601 * }

Section 45. Section 7-13-2214, MCA, is amended to read:

"7-13-2214. Order creating district upon sufficient favorable vote. (1) If at least 40% of all ~~registered voters residing within the proposed district have voted and if a majority of the votes cast at such election in each municipal corporation or part thereof and in the unincorporated territory of each county included in such proposed district shall be in favor of organizing such county district, said qualified electors vote in favor of creating a district, the board of county commissioners of each such county shall, by an order entered on its minutes, declare the territory enclosed within the proposed boundaries duly organized as a county water and/or sewer district under the name ~~theretofore~~ designated.~~

(2) The election administrator of each such county in which the district lies shall immediately ~~cause to be filed~~ file with the secretary of state and ~~shall cause to be recorded in the office of the clerk and recorder of the county or each county in which such district is situated~~ a certificate stating that ~~such a~~ the proposition was adopted."

{*Internal References to 7-13-2214:*
7-13-2215 75-5-601 }

Section 46. Section 7-13-2231, MCA, is amended to read:

"7-13-2231. District to be governed by board of directors.

(1) ~~At an election to be held within a district under the provisions of part 23 and this part and the laws governing general elections not inconsistent with part 23 and this part, the~~ The district shall elect a board of directors. The election must be conducted by mail ballot, ~~as provided in Title 13, chapter 19, or must be held in conjunction with the next regular or primary election as provided in [section 1].~~ If no electors reside in the district at a time when directors of the district are to be elected, the directors ~~to be elected~~ must be appointed in a certificate of appointment ~~presented to the board of directors of the district,~~. The certificate of appointment must be signed by the owners of all of the real property in a majority of the qualified electors of the district, and containing the signed acceptance of the appointment by all of the directors. An appointment is not effective unless the person to be appointed signs the certificate of appointment.

(2) The board of directors is the governing body of the district."

{*Internal References to 7-13-2231:*
7-13-2217 }

Section 47. Section 7-13-2234, MCA, is amended to read:

"7-13-2234. Term of office. (1) ~~All directors~~ A board member, elected or appointed, shall hold office until the election and qualification or appointment and qualification of ~~their successors~~ the member's successor.

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(2) Except as otherwise provided in this section and as required by the election days established in [section 1(a)], the ~~term of office of directors elected under the provisions of this part and part 23~~ for an elected board member shall be 4 years ~~from and after the date of their election. The term of office for an appointed board member shall be 6 years.~~

(3) ~~Directors elected at the first regular election under this part and part 23 after July 1, 1979, shall serve as follows:~~

(a) In districts requiring the election of five ~~elected directors~~ board members, three ~~directors~~ of the initial board members shall serve for a term of 2 years and two for a term of 4 years.

(b) In districts requiring the election of three ~~elected directors~~ board members, one ~~director~~ initial board member shall serve for a term of 2 years and two for a term of 4 years.

(c) At ~~their~~ the first meeting following an initial election of board members, the ~~directors~~ board shall determine by lot ~~which of them~~ who shall serve ~~the~~ a 2-year term ~~or terms less than 4 years. Every term thereafter shall be for a period of 4 years.~~

(4) ~~The term of office of directors appointed by the mayor or mayors or by the board of county commissioners shall be 6 years from and after the date of appointment. Directors~~ Board members to be first appointed under the provisions of this part and part 23 shall be appointed within 90 days after the formation of the district.

~~(5) The first regular election for a district shall be held~~

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~~in November of the next odd-numbered year following the formation of the district."~~

{Internal References to 7-13-2234: None.}

REPEAL 7-13-2235. SEE SECTION 1.

Section 48. Section 7-13-2235, MCA, is amended to read:

"7-13-2235. Election and appointment procedure. The mode of nomination and election of all elective officers of such district to be voted for at any district election and the mode of appointment of a director by a mayor or a board of county commissioners shall be as provided in this part."

{Internal References to 7-13-2235: None.}

REPEAL 7-13-2236. SEE SECTION 1.

Section 49. Section 7-13-2236, MCA, is amended to read:

"7-13-2236. General district election. (1) The election of directors of the district shall be held every 2 years with the election for local government officials provided for in 13-1-104(2).

(2) The election of directors of a district located in an unincorporated area may be conducted by mail ballot as provided in Title 13, chapter 19."

{Internal References to 7-13-2236: None.}

Section 50. Section 7-13-2241, MCA, is amended to read:

"7-13-2241. Filing of petition of nomination. (1) A petition of nomination, signed by at least five electors of the

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district for any one candidate, ~~may~~ must be filed with the election administrator ~~not earlier than 135 days or later than 75 days before the election~~ within the time period specified in 13-10-201. The election administrator shall endorse on the petition the date upon which the petition was presented.

(2) If the district lies in more than one county, the petition for nomination must be presented to the election administrator whose county contains the largest percentage of the territory of the district and the election administrator shall fulfill all duties assigned to election administrators in elections under part 23 and this part.

(3) If the petition conforms to this section, the election administrator shall place the name of the petitioner on the ballot as a candidate for director of the district."

{*Internal References to 7-13-2241:*
7-13-2225 7-13-2247 }

REPEAL 7-13-2243. SEE SECTION 1.

Section 51. Section 7-13-2243, MCA, is amended to read:

"7-13-2243. Assistance for election administrator. If necessary, the board of commissioners shall provide extra help to enable the election administrator to perform satisfactorily and promptly the duties imposed by this part."

{*Internal References to 7-13-2243: None.*}

REPEAL 7-13-2246. SEE SECTION 1.

Section 52. Section 7-13-2246, MCA, is amended to read:

"7-13-2246. Withdrawal of candidacy. (1) An individual who has been nominated as a candidate may, not later than 75 days before the day of election, cause the individual's name to be withdrawn from nomination by filing with the election administrator a request for withdrawal in writing, and a withdrawn name may not be printed upon the ballot.

(2) If, upon withdrawal, the number of candidates remaining does not exceed the number to be elected, then other nominations may be made by filing petitions for nomination not later than 75 days prior to the election."

{*Internal References to 7-13-2246:*
7-13-2225 }

REPEAL 7-13-2247. SEE SECTION 1.

Section 53. Section 7-13-2247, MCA, is amended to read:

"7-13-2247. Retention of petitions. The county clerk shall retain in the clerk's office for a period of 2 years all petitions of nomination filed under 7-13-2241."

{*Internal References to 7-13-2247: None.*}

REPEAL 7-13-2254. SEE DEFINITION OF "QUALIFIED ELECTOR" IN 7-13-2201.

Section 54. Section 7-13-2254, MCA, is amended to read:

"7-13-2254. Provision for vote by corporate property owner. Where a corporation owns real property within the boundaries of the district, the president, vice-president, or secretary of such corporation shall be entitled to cast a vote on behalf of the

corporation."

{*Internal References to 7-13-2254: None.*}

REPEAL 7-13-2255. SEE DEFINITION OF "QUALIFIED ELECTOR" IN 7-13-2201.

Section 55. Section 7-13-2255, MCA, is amended to read:

"7-13-2255. Provision for vote by nonresident property owner. An elector owning real property within the district need not reside within the district in order to vote."

{*Internal References to 7-13-2255: None.*}

REPEAL 7-13-2256. SEE SECTION 1.

Section 56. Section 7-13-2256, MCA, is amended to read:

"7-13-2256. Canvass of vote. (1) Except as provided in part 23 and this part, the board of county commissioners shall canvass the returns of the first election, and for subsequent elections, the board of directors shall meet as a canvassing board and canvass the returns at the first regular meeting of the board of directors after any district election, including any district bond election.

(2) If the district lies in more than one county, the board of county commissioners whose county contains the largest percentage of the territory of the district shall canvass the returns of the first election."

{*Internal References to 7-13-2256: None.*}

Section 57. Section 7-13-2271, MCA, is amended to read:

"7-13-2271. Organization of board of directors. (1) The board of directors shall hold its first meeting on the sixth Monday after the ~~first general election for the election~~ of directors ~~as herein provided~~. It shall choose one of its members president and shall ~~thereupon~~ provide for the time and place of holding its meetings and the manner in which its special meetings may be called.

(2) The board shall establish rules for its proceedings."

{*Internal References to 7-13-2271: None.*}

Section 58. Section 7-13-2272, MCA, is amended to read:

"7-13-2272. Duties of board president. (1) The president shall sign all contracts on behalf of the district and perform other duties as may be imposed by the board of directors.

(2) The president may propose a monthly salary in excess of the amounts provided in 7-13-2273(2) for the members of the board of directors. The proposed monthly salary must be approved by the ~~voters~~ qualified electors in the district pursuant to 7-13-2273."

{*Internal References to 7-13-2272: None.*}

Section 59. Section 7-13-2273, MCA, is amended to read:

"7-13-2273. Compensation of members of board -- approval by voters of district. (1) Each of the members of the board of directors may receive a monthly salary.

(2) Except as provided in subsection (3), a salary may not exceed the following amounts:

(a) \$60 in districts with a population of no more than 500

persons;

(b) \$80 in districts with a population that exceeds 500 but is no more than 5,000 persons; and

(c) \$100 in districts with a population of more than 5,000 persons.

(3) A salary may exceed the amounts provided under subsection (2) if the salary is in an amount proposed by the president of the board and approved by one of the following methods:

(a) an affirmative vote of the majority of the votes cast by the qualified ~~voters~~ electors of the district in an election held ~~either by mail ballot, as provided in Title 13, chapter 19, or in conjunction with a regular or primary election as provided in [section 1];~~ or

(b) an affirmative vote of the majority of the qualified ~~voters~~ electors of the district who are present and voting at an annual organizational meeting of the district.

(4) A newly elected member of the board of directors must receive the monthly salary, if any, established for the board member position at the time that the member was elected.

~~(5) A vote on the question of the proposed salary for members of the board of directors may be held in combination with the elections provided in 7-13-2225 if the vote is conducted by mail ballot or held in conjunction with a regular or primary election.~~

~~(6) (a) Notice of the vote on the proposed monthly salary for the members of the board of directors must be provided to the~~

~~members of the district~~ If an election is held pursuant to subsection (3)(a), notice must be as provided in 13-1-108 and state must include the following:

- ~~(i)~~(a) the date on which the ~~vote~~ election will be held;
- ~~(ii)~~(b) the manner in which the ~~vote~~ election will be held;
- ~~(iii)~~(c) the amount of the proposed monthly salary for the members of the board of directors; and
- ~~(iv)~~(d) any other information regarding the ~~vote~~ election that may be necessary.

~~(b) The notice must be published as provided in 13-1-108.~~
~~(7) For purposes of this section, "qualified voters of the district" means the voters qualified to vote on the question of the creation of the district as provided in 7-13-2212."~~

{*Internal References to 7-13-2273:*
7-13-2225 7-13-2272 7-13-2272 }

Section 60. Section 7-13-2323, MCA, is amended to read:

"7-13-2323. Election on question of incurring bonded indebtedness. (1) The board of directors shall fix a date upon which an election is held for the purpose of authorizing the bonded indebtedness to be incurred. ~~Except as provided in Subject to~~ subsection (2), the election must be conducted ~~by mail ballot,~~ as provided in Title 13, chapter 19, or must be held in conjunction with a regular or primary election as provided in [section 1].

(2) The board may order up to two ~~special~~ elections each year if:

- (a) there are no bids within the amount of approved bonds;
- (b) there is an emergency;
- (c) a directive for a project is received from a government agency; or
- (d) it is necessary to take advantage of the construction season."

{Internal References to 7-13-2323: None.}

Section 61. Section 7-13-2341, MCA, is amended to read:

"7-13-2341. Addition of land to district -- election required. (1) Except as provided in subsection (5), any portion of any county or any municipality, or both, may be added to any district organized under the provisions of part 22 and this part at any time upon petition presented in the manner provided in part 22 and this part for the organization of the district.

(2) The petition may be granted by ordinance of the board of directors of the district. The ordinance must be submitted for adoption or rejection ~~to the vote of the electors in the district and in the proposed addition at a general election, at a special election that is conducted by mail ballot, as provided in Title 13, chapter 19, or at a special election that is held in conjunction with a regular or primary election~~ by the qualified electors in the district voting at an election conducted as provided in [section 1].

(3) If the ordinance is approved, the president and secretary of the board of directors shall certify that fact to the secretary of state and to the county clerk and recorder of

the county in which the district is located. Upon the receipt of the certification, the secretary of state shall within 10 days issue a certificate that states the passage of the ordinance and the addition of the territory to the district. A copy of the certificate must be transmitted to and filed with the county clerk and recorder of the county in which the district is situated.

(4) After the filing of the certificate, the territory is added to and is a part of the district with all the rights, privileges, and powers set forth in this part and necessarily incident to this part.

(5) If the board of directors determines that a district has a water facility or a sewer facility with a capacity greater than required to meet the needs of the current district, it may by ordinance, upon petition of contiguous property owners and with the written consent of all property owners to whom the service is to be extended, expand the district to include land, to the extent of excess capacity, without complying with subsections (1) and (2). However, if the board determines that an election should be held or if 40% or more of ~~the members of~~ the qualified electors of the district petition for an election, compliance with subsections (1) and (2) is required."

{*Internal References to 7-13-2341: None.*}

Section 62. Section 7-13-2342, MCA, is amended to read:

"7-13-2342. Consolidation of county water and/or sewer districts. (1) Two or more districts organized under the

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provisions of part 22 and this part may consolidate at any time upon petitions submitted to the board of directors of each district. The petitions must be in the form required for petitions for the organization of districts. Each petition must be signed by not less than 10% of the ~~registered voters~~ qualified electors of the territory included within the district.

(2) The petitions may be granted by ordinance of the board of directors of each district. The ordinances must be submitted for adoption or rejection ~~to the vote of~~ by the qualified electors in the district at general or special elections held, as provided in part 22 and this part, voting in an election conducted as provided in [section 1] within 70 days after the adoption of the ordinances.

(3) If the ordinances are approved, the president and secretary of the boards of directors of each district shall certify that fact to the secretary of state and to the county clerk of the county or counties in which the districts are located. Upon the receipt of the certificate, the secretary of state shall within 10 days issue a certificate, reciting the passage of the ordinances and the consolidation of the districts. A copy of the certificate must be transmitted to and filed with the county clerk of each county in which the consolidated district is situated.

(4) After the date of the certificate, the districts are considered to be consolidated and consist of one district with all the rights, privileges, and powers set forth in part 22 and this part and necessarily incident to those rights, privileges,

and powers.

(5) The number and manner of selection and election of directors of the consolidated district must be the same as the number and manner of selection and election of directors of newly organized districts."

{*Internal References to 7-13-2342: None.*}

Section 63. Section 7-13-2352, MCA, is amended to read:

"7-13-2352. Dissolution of district by ~~special~~ election.

(1) The board of directors may, after notice is given as provided in 7-1-2121, hold a hearing for dissolution of the district if:

(a) the district has no facilities;

(b) the district provides no services;

(c) the board is not a party to any existing contracts and is not engaged in any contract proposals for facilities or services; and

(d) the district has not had outstanding debts for at least 3 years.

(2) At the dissolution hearing, the board of directors shall hear testimony of all persons interested in whether the district should be dissolved.

(3) If the board of directors determines that the dissolution of the district is in the best interests of the public, the board may resolve to recommend that the district be dissolved. The recommendation must include a specific plan for distribution of any remaining assets after dissolution and must be provided to the board of county commissioners in each county

in which the district is located.

(4) Upon receipt of a recommendation for dissolution, the board of county commissioners in each county in which the district lies shall order ~~a referendum~~ an election on the proposed dissolution. The ~~referendum election~~ 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~~ conducted as provided in [section 1].

(5) If the majority of votes cast at the election by qualified electors of the district are in favor of dissolving the district, each board of county commissioners shall by order declare the district dissolved.

(6) Upon dissolution of the district by each board of county commissioners, the clerk of each county in which the district was located shall immediately send written notice to the secretary of state and shall record a certificate stating that the district is dissolved.

(7) Any assets of the district after dissolution must be distributed according to the plan adopted by the board of directors under subsection (3)."

{*Internal References to 7-13-2352:*
7-13-2351 }

Section 64. Section 7-13-4204, MCA, is amended to read:

"7-13-4204. Rental charges for use of sewer system -- election required. (1) Upon being petitioned by 5% of the qualified registered electors who are residents of the city or

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town, the city or town council shall ~~submit to a vote to the qualified electors, at the annual municipal election or at a special election held in conjunction with a regular or special election,~~ conduct an election as provided in [section 1] on the question of whether or not the city or town council may establish and collect rentals for the use of the sewer system, may fix the scale of the rentals, and may prescribe the manner and time at which the rentals must be paid:

(a) to provide the sewer fund;

(b) to provide for the retirement of the bonds and the payment of the interest on the bonds; or

(c) for any purpose mentioned in this section.

(2) If a majority of votes is cast in favor of the proposition, then the city or town council may establish and collect rentals for the use of the sewer system, may fix the scale of rentals, may prescribe the manner and time at which the rentals should be paid, and may change the scale of rentals from time to time as considered advisable.

(3) The revenue provided in this section are in addition to and not exclusive of other revenue that may be legally collected for sewer payment."

{*Internal References to 7-13-4204: None.*}

Section 65. Section 7-13-4511, MCA, is amended to read:

"7-13-4511. Sufficient protest to require referendum. If the owners of more than 20% of the fee-assessed units in the proposed district protest the creation of the proposed district

and the fees proposed to be charged, the commissioners are barred from further proceedings on the matter unless the commissioners submit ~~a referendum to create the district to~~ the question to the registered voters who reside within the proposed district in an election conducted as provided in [section 1] and the registered voters approve the creation of the district and establish the fees by approving the referendum."

{*Internal References to 7-13-4511:*
7-13-4513 7-13-4527 * }

Section 66. Section 7-13-4512, MCA, is amended to read:

"7-13-4512. Referendum. (1) The commissioners may adopt a resolution causing a referendum to be submitted to the registered voters who reside within a proposed local water quality district in an election to be conducted as provided in [section 1] to authorize the creation of the district and establish fees.

(2) The referendum must state:

(a) the type and maximum rate of the initial proposed fees that would be imposed, consistent with the requirements of 7-13-4523;

(b) the maximum dollar amount for a family residential unit;

(c) the type of activities proposed to be financed, including a general description of the local water quality program; and

(d) a general description of the areas included in the proposed district."

{*Internal References to 7-13-4512:*

7-13-4513 7-13-4522 7-13-4523 7-13-4527 * }

Section 67. Section 7-13-4535, MCA, is amended to read:

"7-13-4535. Referendum to abolish local water quality district or joint local water quality district -- termination procedures. (1) A person owning a fee-assessed unit located within a local water quality district or a joint local water quality district may petition the commissioners of a local water quality district or the board of directors of a joint water quality district to submit a referendum to the registered voters residing in the district to terminate or abolish the district. The petition must be in writing and contain the signatures and addresses of 20% or more of the owners of fee-assessed units in the district. The petition requesting a referendum for termination or abolishment of a district must be delivered to the county clerk who shall endorse on it the date on which the petition was received and validate the signatures within 60 days of receipt of the petition. If the petition contains valid signatures of at least 20% of the owners of fee-assessed units located within the district, the county clerk shall notify the commissioners of a local water quality district or the board of directors of a joint water quality district.

(2) Upon receipt of a valid petition described in subsection (1), the commissioners of a local water quality district or the board of directors of a joint water quality district shall submit the referendum to the registered voters

residing in the district ~~in accordance with the provisions of~~
~~7-5-136~~ voting in an election conducted as provided in [section
1]."

{*Internal References to 7-13-4535: None.*}

Section 68. Section 7-14-210, MCA, is amended to read:

"7-14-210. Election on question of creating urban transportation district or addition to a district. (1) The commissioners, upon completion of the public hearing required by 7-14-207, shall proceed by resolution to refer the creation of the district or addition to a district to the persons qualified to vote on the proposition.

(2) The commissioners may designate in their resolution ~~whether a special~~ the day on which an election is to be held in conjunction with a regular or primary election, ~~whether the matter is to be determined at the next general election, or whether the matter is to be determined by a mail ballot election held pursuant to the provisions of Title 13, chapter 19. The election must be conducted as provided in [section 1].~~ If a special election is ordered, the order must specify the date for the election and the voting places and the commissioners shall appoint and designate election judges and clerks."

{*Internal References to 7-14-210: None.*}

Section 69. Section 7-14-211, MCA, is amended to read:

"7-14-211. Conduct of election on question of creating district. (1) The election shall be held ~~in all respects, as~~

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~~nearly as practicable, in conformity with the general election laws as provided in [section 1].~~

(2) At the election, the ballots shall contain the words:

[] Transportation district -- YES

[] Transportation district -- NO"

{*Internal References to 7-14-211: None.*}

Section 70. Section 7-14-212, MCA, is amended to read:

"7-14-212. District to be governed by transportation board -- election provisions. (1) The district must be governed by a transportation board. The commissioners and the governing bodies of each city or town included or partially included in the district shall determine if the board is to be elected or appointed. If the board is to be elected, the initial and subsequent election of board members must be conducted as provided in [section 1].

(2) The commissioners and the governing body by resolution shall:

(a) determine the number of board members;

(b) set the term of office;

(c) determine the makeup of the board with respect to the number of appointed members that will represent each county, city, or town;

~~(d) establish a procedure for selecting the initial members of an elected board. The initial members shall serve until the~~

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~~first county general election after their appointment.~~

~~(e) determine the number of candidates for an elected board whose names must be placed on the ballot in the county general election, based on the results of the primary election; and~~

~~(f)~~(e) establish a procedure for filling vacancies on the board, including a provision for public notice.

(3) The commissioners and the governing body may, at any time, adopt a resolution changing the method by which the members of the board are selected. The resolution must contain a provision that the term of office of the current members of the board may not be shortened.

(4) If the board is elected 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. If an election is not held, the board shall declare elected by acclamation each candidate who filed a nominating petition for a position.

(5) If there are no nominees for an elective office of a member of the board, the vacancy must be filled as provided in subsection ~~(2)~~(f)~~(2)~~(e).

(6) A member of the board taking office pursuant to subsection (4) or (5) serves a term of office as if elected to that office."

{*Internal References to 7-14-212: None.*}

Section 71. Section 7-14-1106, MCA, is amended to read:

"7-14-1106. Election of local port authority commissioners.

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(1) Any registered elector in the county or municipality in which the local port authority is located may file a petition of candidacy with the election administrator. The petition must contain the signatures of not less than 25 registered electors of the county or municipality. The petition must be filed ~~at least 75 days before the election day~~ within the time period specified in 13-10-201.

(2) The election must be conducted ~~at the time provided in 13-1-104(3) and in the manner provided by 13-1-401~~ as provided in [section 1].

(3) If no nomination petitions are filed for one or more commissioner offices, the appropriate local governing body shall appoint one or more commissioners as necessary to fill those offices."

{*Internal References to 7-14-1106:*
7-14-1101 }

Section 72. Section 7-14-1134, MCA, is amended to read:

"7-14-1134. Method of funding deficiency -- election required. (1) Subject to the conditions stated in this section, the governing body of a county or of a municipality having a population in excess of 10,000 may by resolution covenant that if at any time all revenue, including taxes, appropriated and collected for bonds issued pursuant to this part is insufficient to pay principal or interest then due, it will levy a general tax upon all of the taxable property in the county or municipality for the payment of the deficiency. The governing body may further

covenant that at any time a deficiency is likely to occur within 1 year for the payment of principal and interest due on the bonds, it will levy a general tax upon all the taxable property in the county or municipality for the payment of the deficiency. The taxes are not subject to any limitation of rate or amount applicable to other county or municipal taxes but are limited to a rate estimated to be sufficient to produce the amount of the deficiency. If more than one local government is included in an authority issuing bonds pursuant to this part, the local governments may apportion the obligation to levy taxes for the payment of, or in anticipation of, a deficiency in the revenue appropriated for the bonds in a manner that the local governments may determine.

(2) The resolution must state the principal amount and purpose of the bonds and the substance of the covenant respecting deficiencies.

(3) (a) A resolution is not effective until the question of its approval has been submitted to the qualified electors of the local government at an election called for that purpose by the governing body of the local government and held as provided in 15-10-425 and the question is approved by a majority of the electors voting.

(b) ~~The notice and conduct of the election is governed, to the extent applicable, as provided for municipal general obligation bonds in Title 7, chapter 7, part 42, for an election called by cities and towns, and as provided for county general obligation bonds in Title 7, chapter 7, part 22, for an election~~

~~called by counties~~ by 13-1-108 and [section 1]. If a majority of the electors voting on the issue vote against approval of the resolution, the local government may not make the covenant or levy a tax for the payment of deficiencies pursuant to this section. The local government or authority may issue bonds under this part payable solely from the sources referred to in 7-14-1133(1)."

{*Internal References to 7-14-1134:*
7-14-1131 7-14-1133 }

Section 73. Section 7-14-1633, MCA, is amended to read:

"7-14-1633. Election required to impose mill levy. (1)

Before the levy provided for in 7-14-1632 may be made, the question must be submitted to a vote of the people at an election held pursuant to 15-10-425.

(2) Notice of the election, clearly stating the amount and the purpose of the levy, must be given, and the election must be held and conducted ~~and the returns must be made in the manner prescribed by law for the submission of questions to the electors under the general election laws~~ as provided in [section 1]."

{*Internal References to 7-14-1633: None.*}

SECTION 7-14-2507 TO BE RENUMBERED AND CODIFIED IN PART 1 OF THIS CH. 14, TITLE 7.

Section 74. Section 7-14-2507, MCA, is amended to read:

"7-14-2507. Qualifications to vote on mill levy question of ~~additional mill levy~~. (1) An individual is entitled to vote at an

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election under this chapter that is conducted pursuant to 15-10-425 ~~to exceed the levy authority provided for in 7-14-2501(1)~~ if the individual possesses all of the qualifications required of electors under ~~the general election laws of the state 13-1-111~~ and is:

(a) a resident of the area that is or may be subject to ~~the proposed a tax under this chapter;~~ or

(b) the owner of taxable property located in the area that is or may be subject to ~~the proposed a tax under this chapter.~~

~~(2) An individual who is the owner of the property described in subsection (1)(b) need not possess the qualifications required of an elector in subsection (1)(a) if the elector, is qualified registered to vote in any county of the state and files proof of registration with the election administrator at least 20 days prior to the election in which the individual intends to vote, and has filed proof of registration as provided in [section 1(5)]."~~

{*Internal References to 7-14-2507: None.*}

Section 75. Section 7-14-4512, MCA, is amended to read:

"7-14-4512. Referendum on parking meters prior to enacting ordinance. An ordinance providing for the purchasing, renting, leasing, or otherwise acquiring or installing, maintaining, operating, or using parking meters, devices, or instruments may not be enacted unless the question of whether or not the ordinance may be enacted has been submitted to and approved by the qualified electors of the city or town ~~at a general election~~

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~~or a special election that is held in conjunction with a regular or primary election and that is called for that purpose. An ordinance may not be enacted unless authorized by a majority of the votes cast are in favor of enacting the ordinance as provided in 7-5-136."~~

{*Internal References to 7-14-4512: None.*}

Section 76. Section 7-14-4642, MCA, is amended to read:

"7-14-4642. Election required to issue revenue bonds. (1)

The power to issue revenue bonds as provided in this part is not operative in any city until the legislative body, ~~either at a general election or a special election held in conjunction with a regular or primary election~~ at an election conducted as provided in [section 1], submits to the electors the question as to whether the legislative body, the commission, or both, are authorized to adopt the revenue bond method of financing projects provided for in this part.

(2) ~~The question must be placed before the electors and notice must be given in the same manner as provided by law for referring ordinances of the city to the electors.~~ Notice of the election must be as provided in 13-1-108.

(3) The qualifications of electors are the same as those required for voting at municipal elections in the city for elective officers. The provisions relating to the qualifications of electors and manner of submission of the question to the electors for the purposes of this part are controlling, notwithstanding any provision of law to the contrary."

{Internal References to 7-14-4642: None.}

Section 77. Section 15-10-425, MCA, is amended to read:

"15-10-425. Mill levy election. (1) A county, consolidated government, incorporated city, incorporated town, school district, or other taxing entity may impose a new mill levy, increase a mill levy that is required to be submitted to the electors, or exceed the mill levy limit provided for in 15-10-420 by conducting an election as provided in this section.

(2) An election conducted pursuant to this section ~~may be held in conjunction with a regular or primary election or may be a special election~~ must be conducted as provided in [section 1]. The governing body shall pass a resolution, shall amend its self-governing charter, or must receive a petition indicating an intent to impose a new levy, increase a mill levy, or exceed the current statutory mill levy provided for in 15-10-420 on the approval of a majority of the qualified electors voting in the election. The resolution, charter amendment, or petition must include:

(a) the specific purpose for which the additional money will be used;

(b) either:

(i) the specific amount of money to be raised and the approximate number of mills to be imposed; or

(ii) the specific number of mills to be imposed and the approximate amount of money to be raised; and

(c) whether the levy is permanent or the durational limit

on the levy.

(3) Notice of the election must be prepared by the governing body and given as provided by law in 13-1-108. The form of the ballot must reflect the content of the resolution or charter amendment and must include a statement of the impact of the election on a home valued at \$100,000 and a home valued at \$200,000 in the district in terms of actual dollars in additional property taxes that would be imposed on residences with those values if the mill levy were to pass. The ballot may also include a statement of the impact of the election on homes of any other value in the district, if appropriate.

(4) If the majority voting on the question are in favor of the additional levy, the governing body is authorized to impose the levy in either the amount or the number of mills specified in the resolution or charter amendment.

(5) A governing body, as defined in 7-6-4002, may reduce an approved levy in any fiscal year without losing the authority to impose in a subsequent fiscal year up to the maximum amount or number of mills approved in the election. However, nothing in this subsection authorizes a governing body to impose more than the approved levy in any fiscal year or to extend the duration of the approved levy."

{Internal References to 15-10-425:

7-6-4431	7-14-1134	7-14-1633	7-14-2507
7-14-4404	7-16-2102	7-16-2109	7-22-2142
7-32-235	7-33-2109	7-33-2209	7-33-2403
7-33-4109	7-33-4111	10-2-115 *	15-10-420
19-18-504	20-9-353	20-9-353	20-9-353
20-9-502	20-9-502	20-9-533	20-15-311
22-1-304	22-1-304	76-15-531	90-5-112 }

Section 78. Section 7-22-2142, MCA, is amended to read:

"7-22-2142. Sources of money for noxious weed fund -- mill levy election. (1) The commissioners may provide sufficient money in the noxious weed fund for the board to fulfill its duties, as specified in 7-22-2109, by:

(a) appropriating money from any source in an amount not less than \$100,000 or an amount equivalent to 1.6 mills levied upon the taxable value of all property; and

(b) subject to 15-10-420 and at any time fixed by law for levy and assessment of taxes, levying a tax of not less than 1.6 mills on the taxable value of all taxable property in the county. The tax levied under this subsection must be identified on the assessment as the tax that will be used for noxious weed control.

(2) The proceeds of the noxious weed control tax or other contribution must be used solely for the purpose of managing noxious weeds in the county and must be deposited in the noxious weed fund.

(3) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be available for reuse within that fiscal year or any subsequent year.

(4) The commissioners may accept any private, state, or federal gifts, grants, contracts, or other funds to aid in the management of noxious weeds within the district. These funds must be placed in the noxious weed fund.

(5) Subject to 15-10-420, the commissioners may impose a tax for weed control within a special management zone as provided

in 7-22-2121(4). For the purposes of imposing the tax, the special management zone boundaries must be established by the board and approved by a majority of the voters within the special management zone. Pursuant to an election held in accordance with 15-10-425, the amount of the tax must be approved by a majority of the voters within the special management zone, and approval of the zone and the tax may occur simultaneously. Revenue received from a special management zone tax must be spent on weed management projects within the boundaries of the special management zone."

{*Internal References to 7-22-2142:*
7-6-2527 76-12-121 }

Section 79. Section 7-33-2106, MCA, is amended to read:

"7-33-2106. Details relating to board of trustees of fire district -- election -- voter qualification. (1) (a) The five trustees initially appointed by the county commissioners hold staggered terms of office until their successors are elected or appointed and qualified as provided in this section.

(b) The initial trustees' terms of office must be drawn by lot and include:

- (i) 3 years for one trustee;
- (ii) 2 years for two trustees; and
- (iii) 1 year for two trustees.

(c) Upon expiration of the terms provided in subsection (1)(b), each subsequent trustee shall serve a 3-year term of office.

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(2) Trustees must be elected as provided in ~~13-1-104(3), 13-1-401,~~ and subsection (3) of this section [section 1] or appointed as provided in subsection (4) of this section. The term of office ~~is 3 years beginning~~ begins at the first district meeting following ~~their~~ the trustee's election or appointment and ~~continuing~~ continues until ~~their successors are~~ a successor is elected or appointed and qualified.

(3) Appointments to fill vacancies occurring during the term of office of a trustee must be made by the county governing body and appointees shall hold office until the next ~~regular~~ election.

(4) An elector, as defined in ~~Title 13~~ 13-1-101, who resides in the district or any holder of title to lands within the district who presents a proof of payment of taxes on the lands at the polling place is eligible to vote in the election.

~~(3)~~(5) Candidates for the office of trustee of the fire district to be filled by election may be nominated by petition signed by a least five qualified electors filed with the election administrator or deputy election administrator ~~at least 75 days before the election day and signed by at least five electors of the district~~ within the time period specified in 13-10-210.

~~(4)~~(6) 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. If an election is not held, the county governing body shall declare elected by acclamation each candidate who filed a nominating petition for a position. If a nomination is not made for one or

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more trustee offices, the county governing body shall appoint one or more trustees as necessary to fill those offices. A trustee taking office pursuant to this subsection serves the trustee term of office as if that trustee had been elected.

~~(5)~~(7) The trustees shall organize by choosing presiding officers and appointing one member to act as secretary."

{*Internal References to 7-33-2106:*
7-33-2120 7-33-2403 7-33-2403 }

Section 80. Section 7-34-2110, MCA, is amended to read:

"7-34-2110. Resolution calling for election. (1) The board of county commissioners in its resolution may make changes in the boundaries of the proposed district that it considers advisable, without including any additional lands not described in the petition, and it shall call an election upon the question of the creation of the district.

(2) The board shall designate in its resolution ~~whether a special election is to be held or whether the matter is to be determined at the next general election~~ the day the election is to be held, which must be conducted as provided in [section 1]. ~~If a special election is ordered, the board shall specify in its order the date for the election. The special election must be held in conjunction with a regular or primary election."~~

{*Internal References to 7-34-2110: None.*}

Section 81. Section 7-34-2112, MCA, is amended to read:

"7-34-2112. ~~Conduct of~~ Ballot for election on question of

~~creating district. (1) The election shall be held in all respects, as nearly as practicable, in conformity with the general election laws.~~

~~——(2) At the election on the creation of a district, the ballots must contain the words "Hospital district -- Yes" and "Hospital district -- No".~~

{Internal References to 7-34-2112: None.}

Section 82. Section 7-34-2114, MCA, is amended to read:

"7-34-2114. Procedure upon favorable vote. (1) In the event that a majority of the votes cast are in favor of the creation and establishment of said hospital district, the board of county commissioners shall, within 10 days after the election, certify such result by resolution and proceed with the organization of such district as specified in this part.

(2) After 20 days from the passage of such resolution, the validity of the creation of such hospital district and the regularity of all proceedings preliminary thereto shall not be questioned or asserted in any legal action."

{Internal References to 7-34-2114: None.}

Section 83. Section 7-34-2116, MCA, is amended to read:

"7-34-2116. Election of first board of trustees. (1) The first board of trustees shall be elected at the same election held upon the creation of the district, subject to the creation thereof, and shall qualify upon the organization of the district if created.

(2) The trustees may be nominated and have their names appear upon the ballots as provided in 7-34-2117."

{*Internal References to 7-34-2116: None.*}

Section 84. Section 7-34-2117, MCA, is amended to read:

"7-34-2117. Procedure for conduct of election for trustees -- appointment of trustees. (1) All elections of trustees following the election of the first board of trustees must be conducted ~~at the time provided in 13-1-104(3) and in the manner provided by 13-1-401~~ as provided in [section 1].

(2) Candidates for the office of trustee must be nominated by petition signed by at least five electors of the district and filed with the election administrator or deputy election administrator at least 75 days before the election day and signed by at least five electors of the district within the time period provided in 13-10-210.

(3) If there is no nomination petition filed, it is not necessary to hold an election but the board of county commissioners shall appoint a trustee to fill the term. If there is only one nominee for a ballot position, it is not necessary to hold an election for that position and the board of county commissioners shall declare elected by acclamation the candidate who filed a nominating petition for the position.

(4) A member of the board taking office pursuant to subsection (3) serves a term of office as if elected to that office."

{*Internal References to 7-34-2117:*}

7-34-2116 }

Section 85. Section 7-35-2144, MCA, is amended to read:

"7-35-2144. Vesting of funds in trustees. Upon the election, appointment, and qualification, as provided in this part, of the trustees of the fund, all of the title to the funds included in the trust and all of the rights, powers, authorities, franchises, and trusts pertaining to the trust vest in the trustees. In case of the failure of any of those chosen and appointed to qualify within 30 days after their appointment, then the rights, powers, authorities, franchises, and trusts vest in those who qualify."

{*Internal References to 7-35-2144:*

7-35-2131 * 7-35-2135 * 7-35-2142 * 7-35-2142 *
7-35-2149 * }

Section 86. Section 7-35-2144, MCA, is amended to read:

"7-35-2144. Vesting of funds in trustees. Upon the election, or appointment, and qualification, ~~as provided in this part,~~ of the trustees of the fund, ~~all of~~ the title to the funds included in the trust and all of the rights, powers, authorities, franchises, and trusts pertaining to the trust vest in the trustees. ~~In case of the failure of any of those chosen and appointed to qualify within 30 days after their appointment, then the rights, powers, authorities, franchises, and trusts vest in those who qualify."~~

{*Internal References to 7-35-2144:*

7-35-2131 * 7-35-2135 * 7-35-2142 * 7-35-2142 *
7-35-2149 * }

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