

1 H BILL NO. 311 *J. J. [Signature]*
 2 INTRODUCED BY: *Hays [Signature]* *Conrad [Signature]* *Metcalfe [Signature]* *Walters [Signature]*
 3 *Dupile [Signature]* *Walters [Signature]* *J. J. [Signature]* *Franklin [Signature]* *Sturgis [Signature]*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE MONTANA
 5 HISTORICAL SOCIETY TO ESTABLISH A PROGRAM FOR THE
 6 PRESERVATION OF SELECTED GHOST TOWNS; FUNDING THE PROGRAM."

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

9 Section 1. Policy. The Montana legislature finds that
 10 the many ghost towns in the state are rapidly disappearing
 11 due to vandalism, souvenir hunting, and other human causes
 12 and declares that the identification and preservation of a
 13 selected few of these historic sites would be in the public
 14 interest and the spirit of section 4, Article IX of the
 15 Montana constitution. Such sites recall the mineral riches
 16 of the territorial period and their role in bringing the
 17 second influx of English-speaking persons into Montana and
 18 the first who permanently settled here. The purpose of this
 19 act is to experiment with modest tax incentives and a small
 20 appropriation for administration (not for restoration of
 21 buildings or land acquisition) to determine whether by this
 22 means the state can encourage the private sector to emulate
 23 the program of preservation and restoration at Bannack and
 24 other old mining camps before they have disappeared.

25 Section 2. Definitions. As used in this act, the

1 following definitions apply:

2 (1) "Buildings which are not occupied" means buildings
 3 constructed before 1900 which are not used for residential,
 4 commercial, or industrial purposes. Use of a building as a
 5 museum or historic site to which persons may be admitted
 6 upon payment of a fee is not a commercial purpose. Living
 7 in a building intermittently during a season, such as a
 8 cabin used on summer weekends or hunting trips, is not a
 9 residential purpose.

10 (2) "Ghost town" means a town or village settled
 11 between 1863 and 1900, originally as a consequence of
 12 mineral development, in which the remaining structures in
 13 the area designated under this act are primarily buildings
 14 which are not occupied. The area designated shall be
 15 designated by metes and bounds and may be a portion of the
 16 town and exclude modern structures and mobile homes
 17 incongruous with the historical quality of the town.

18 (3) "Ghost town preservation system" means one or more
 19 ghost towns designated under this act to be preserved, under
 20 private auspices with encouragement from the state, as a
 21 representative sample of Montana ghost towns.

22 Section 3. Authority -- Montana ghost town
 23 preservation system. The board of trustees of the Montana
 24 Historical Society may designate one or more ghost towns as
 25 units of the Montana ghost town preservation system upon

1 compliance with the following measures:

2 (1) Ten or more persons, including at least one who
3 resides or owns property within the ghost town shall sign
4 and submit to the society a petition for designation.

5 (2) Following notice by newspaper publication in a
6 daily newspaper in general circulation in the area and by
7 posting in at least two publicly visible places within the
8 ghost town, the department of community affairs shall
9 conduct a public hearing in the seat of the county where the
10 ghost town is situated. The purpose of the hearing is to
11 elicit the views of local citizens and local government
12 officials on the merits of including the ghost town within
13 the system. The department shall electronically record the
14 hearing and prepare a summary for the historical society,
15 but need not prepare a verbatim transcript.

16 (3) The director of the historical society shall
17 prepare a study of the historical significance of the ghost
18 town. He may direct a member of the society's staff to
19 prepare this study or may contract for its preparation.

20 (4) The director of the historical society shall
21 report to the historical society upon the feasibility of
22 assuring a reasonable degree of physical preservation, in
23 its existing state, of the ghost town.

24 (5) Upon consideration of the foregoing reports, if it
25 appears that there is local sentiment in favor of preserving

1 the ghost town, including a majority of favorable sentiment
2 on the part of its permanent residents (if any), that the
3 ghost town has historical significance, and that the ghost
4 town can be maintained in a state of reasonable
5 preservation, the board of trustees may by resolution add
6 the ghost town to the system. If the board of trustees
7 rejects a petition on the grounds that it fails to meet
8 these criteria, another petition may not be submitted for
9 designation of that ghost town for 1 year thereafter. An
10 aggrieved party may appeal the decision of the board to the
11 district court for the judicial district in which the ghost
12 town is located.

13 (6) The board of trustees may add no more than 10
14 ghost towns to the system prior to July 1, 1979, of which no
15 more than three may be in any single county. The director of
16 the historical society, with approval of the board, shall
17 report to the 46th legislature on the effectiveness of this
18 act.

19 Section 4. There is a new R.C.M. section in Title 84,
20 chapter 2, that reads as follows:

21 Certain ghost town properties exempt from property tax.
22 Buildings within an area designated as part of the Montana
23 ghost town preservation system which are not occupied, as
24 defined in [section 2 of this act] and the lots upon which
25 such buildings are situated are exempt from taxation.

1 Section 5. Appropriation — reimbursement. (1) There
2 is appropriated to the Montana historical society, from the
3 income from the trust and legacy fund established under
4 84-1319 for the purpose of parks and historic sites
5 acquisition, the sum of \$25,000 for the biennium ending June
6 30, 1979, for the purposes set forth in this act. The
7 director of the historical society shall reimburse the
8 department of community affairs for its expenses incurred
9 under [section 3 of this act].

-End-

STATE OF MONTANA

REQUEST NO. 545-77

FISCAL NOTE

Form BD-15

In compliance with a written request received February 16, 19 77, there is hereby submitted a Fiscal Note for House Bill 311 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 311 is an act authorizing the Montana Historical Society to establish a program for the preservation of selected ghost towns. A property tax exemption would provide incentive for owners to preserve designated ghost towns.

ASSUMPTIONS:

1. The Society will review each of the more than 100 ghost towns in the state and set priorities for preservation.
2. Selected towns, 10 to 15 in number, would require detailed preparation of historical data and preparation of a study of historical significance.

FISCAL IMPACT:

It will cost the Historical Society the following amounts to prepare the studies and recommendations:

	FY 1978	FY 1979
Personal Services	\$ 4,800	\$5,000
Operating expenses	6,650	5,300
Equipment	400	250
	<u>\$11,850</u>	<u>\$10,550</u>

LOCAL IMPACT:

Designated ghost towns will be exempted from property taxes. It does not appear that any government unit will be significantly affected.

Richard L. Zangfo
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 2-27-77

Approved by Committee
on Natural Resources

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-End-

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 3 *Allen* *Walters* *G. Handman* *Reynolds*
 4 *Profile* *FATE* *Burr* *Sheld*
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