CHAPTER NO. 326

SENATE BILL NO. 40

INTRODUCED BY BOYLAN, KOLSTAD, GRAHAM, GALT, HAGER, CONOVER

BY REQUEST OF THE CODE COMMISSIONER

IN THE SENATE

IN THE SENATE						
January 8, 1979	Introduced and referred to Committee on Taxation.					
	On motion Senators Boylan, Kolstad, Graham were added as authors to the Galt, Hager, Conover prefiled bill.					
	Rereferred to Committee on Agriculture, Livestock, and Irrigation.					
January 15, 1979	Committee recommend bill do pass. Report adopted.					
January 16, 1979	Printed and placed on members' desks.					
January 17, 1979	Second reading, do pass.					
January 18, 1979	Considered correctly engrossed.					
January 19, 1979	Third reading, passed. Transmitted to second house.					
IN THE HOUSE						
January 20, 1979	Introduced and referred to Select Committee on Water.					
March 9, 1979	Committee recommend bill be concurred in and be placed on Consent Calendar. Report adopted.					
March 12, 1979	Third reading Consent Calendar concurred in.					

IN THE SENATE

March 15, 1979

Returned from second house. Concurred in. Sent to enrolling.

Reported correctly enrolled.

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incorporation."

ı	SENATE BILL NO. 40
2	INTRODUCED BY
3	BY REQUEST OF THE CODE COMMISSIONER
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5	A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY KEVISE AND
6	CLARIFY THE LAWS RELATING TO WATER USE; AMENDING SECTIONS
7	85-6-108, 85-7-1507, 35-7-1612, 85-7-1904, 85-7-1906,
8	85-7-2204, 85-8-101, 85-8-102, 85-8-118, 85-8-119, 85-8-201,
9	AND 85-8-624+ MCA."
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1	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 85-6-108, hCA, is amended to read:
13	"85-6-108. Exemption from payment of fees. Any water
14	users* association organized in conformity with the
15	requirements of the laws of the United States and of the
16	state of Montana, under the Reclamation Act of June 17,
17	1902, which, under the articles of incorporation, is
18	authorized to furnish water only to its stockholdersy shall
19	be exempt from the payment of any incorporation-tex license
20	fee and from the payment of any annual franchise license tax

and, upon filing its articles of incorporation with the

secretary of state, shall be required to pay only a fee of

\$40 for the filing and recording of such articles of

incorporation and the issuance of certificate of

1	Section 2. Section 65-7-1507, MCA, is amended to read
2	#85-7-1507. Conflict of interest criminal penalty
3	No commissioner or any other officer named in this fact-
4	<u>chapter</u> may in any manner be interested, directly of
5	indirectly, in any contract awarded or to be awarded by the
6	board or in the profits derived therefrom. For any violation
7	of this provision, such officer is guilty of a misdemeanor
8	and his conviction thereof shall work forfeiture of his
9	office and he shall be punished as provided in 45-7-401."
10	Section 3. Section 85-7-1612, MCA, is amended to read
11	"85-7-lol2. Board of control powers and duties. (1
12	The board of control established under and by virtue of this

the board of control established under and by virtue of this part shall be the operating agent of the contracting districts for the operation and maintenance of irrigation and/or drainage works and the delivery of water therefrom-(2) The board shall make and execute all necessary contracts; employ and appoint such agents, officers, and

employees as may be required; and prescribe their duties.

(3) The board shall have the authority and power to institute and maintain any and all actions and proceedingsy and suits at law or in equity, necessary or proper in order to fully carry out the provisions of this [chapter] or to enforce, maintain, protect, or preserve any and all rights, privileges, and immunities created by this part or acquired in pursuance thereof. in all courts, suits, or proceedings,

the board may sue, appear, and defend in person or by its attorneys and in the game of such board of control.

- (4) The poard may adopt rules and bylaws governing the calling and holding of meetings of the poard; the manner of transacting business thereat; and the publishing or posting of the orders, resolutions, and proceedings of the board. It shall be the duty of said the board to pass or adopt bylaws and rules for the apportionment and distribution of water to the lands of the contracting districts and for the protection and preservation of the works and other property of the said districts. All orders and resolutions shall be passed or adopted by a majority of the members of the board of control by a "yea" and "nay" vote, to be entered upon the records of the board.
- (5) Said Ine board of control shall have power generally to do and perform all such other acts as shall be necessary or appropriate to fully carry out the purposes of this part.

Section 4. Section 05-7-1904. MCA, is amended to read:

#85-7-1904. Acquisition of water and waterworks by
board. (1) The board shall have power and authority to:

- (a) appropriate water in the name of the district;
- (b) acquire by purchase, lease, or contract water and water rights; additional waters and supplies of water; canals, reservoirs, dams, and other works already

constructed or in the course of construction; and

- 2 {c} acquire by purchase, lease, contract,
 3 condemnation, or other lead means:
- til lands and rights in lands for rights-of-way, for reservoirs, for the storage of needful waters, and for dam sites, and necessary appurtenances; and

(ii) such other lands and property as may be necessary for the construction, use, maintenance, repair, improvement, enlargement, and operation of any district system of irrigation works.

- (2) The board shall have the privilege, if desired, to contract with the owner or owners of such canals, reservoirs, dams, and other works so purchased and in the course of construction for the completion thereof.
- (3) No purchase, lease, or contract for purchase of any water, water rights, canals, reservoirs, reservoir sites, dam sites, irrigation works, or other property of any nature or kind or for the making or purchasing of surveys, maps, plans, estimates, and specifications or for the purchase of machinery for pumping plants or for the erection of buildings, aqueducts, and other structures necessarily used in connection with such pumping plants, for a price or rental in excess of \$80,000, shall be final or binding upon the district, nor shall said sum be paid without the written consent or petition of at lease a majority in number and

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acreage of the holders of title or evidence of title to the lands within the district. Any splitting or division of such purchase. lease, or contract with the purpose or intention of avoiding or circumventing the provisions of this section shall render such divided or split contract or contracts

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Section 5. Section 85-7-1906, MCA, is amended to read:
#85-7-1906. Relations with United States. (1) For the
purpose of acquiring control over government land within the
district and of complying with the provisions of the act of
congress of August 11, 1916, the board shall have authority
to make such investigations and base thereon such
representations and assurances to the secretary of the
interior as may be requisite.

- (2) The board may enter into any obligation or contract with the United States:
- (a) for the construction, operation, and maintenance of the necessary works for the delivery and distribution of water therefrom and the necessary drainage works;
- (b) for the assumption, as principal or guarantor, of indebtedness to the United States on account of district lands, under the provisions of the Federal federal Reclamation Act of June 11, 1902, all acts amendatory thereof or supplementary thereto, and the rules and regulations established thereunder; or

(c) for a water supply under any act of congressproviding for or permitting such contract.

(3) In case contract has been or may hereafter be made with the United States as herein provided, bonds of the district may be deposited with the United States at 90% of their par value, to the amount to be paid by the district to the United States under any such contract. The interest on said bonds of the district and regularly paid to the United States is to be applied as provided in such contract. If bonds of the district are not so deposited, it shall be the duty of the board of commissioners to include, as part of any levy or assessment provided for in 85-7-2101 or 85-7-2132, an amount sufficient to meet each year all payments accruing under the terms of any such contract. The board may accept, on behalf of the district, appointment of the district as fiscal agent of the United States or authorization of the district by the united States to make collections of moneys money for or on behalf of the United States in connection with any federal reclamation project. whereupon the district shall be authorized to so act and to assume the duties and liabilities incident to such action. The board shall have full power to do eny-and all things required by the federal statutes now or hereafter enacted in connection therewith and all things required by the rules and regulations now or that may hereafter be established by

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any department of the federal government in regard thereto, including the power to require the prompt payment of all charges as prerequisite to water service.

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Section o. Section 85-7-2204, MCA, is amended to read: #85-7-2204. Written consent of OWNERS acknowledgment and recording requirements. Whenever any written consent is required to be given by or obtained from the owner or owners of any lands by any of the provisions of any of the sections of this feet chanter, such written consent must be acknowledged before some officer authorized to take acknowledgments and shall be filed and recorded in the office of the clerk and recorder of the county in which such lands are situated, and a certified copy thereof must be filed in the office of the clerk of the court in the county in which the proceedings for the organization of such district were instituted. The provisions of this section shall not apply to any petition provided for by this feetchapter, and all such petitions may be signed in any number of original parts with the same effect as though all signatures had been affixed to one instrument."

Section 7. Section: 85-8-101; MCA, is amended to read:

#85-8-101. Petition for creation of district. (1)

Whenever a majority of the member owners of lands within any
district of land who shall represent one-third in area of
the land within said district to be reclaimed or ownefited

or whenever the edult owners of more than one-half of the lands within such district desire to construct one or more drains, ditches, levees, waste ditches, or other works across the lands of others or to straighten, widen, deepen, or otherwise alter any natural stream or watercourse not navigable, for the promotion of the public health or welfare and the drainage of sold the lands and removal of surface waters therefrom; or desire to maintain and keep in repair any such drain, ditch, or levee heretofore constructed under any law of this state, such owners may file, in the district court of any county in which the lands or any part of them shall lie, a petition setting forth:

- (a) the proposed name of soid the drainage district;
- (b) the necessity of the proposed worky-describing-the
- 16 (c) a general description of the proposed starting
 17 points, routes, and termini of the proposed drain, ditches,
 18 and leves;
- 19: (d) a general description of the lands proposed to be 20 (neluded in said the district;
- 21 (e4) the names of the owners of all lands in add the 22 district, when known.
 - (2) If the purpose of said: the peritioners is the entargement, repair, and maintenance of a ditch. levee, or other work heretofore constructed under any law of this

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state, soid the petition shall give a general description of the same, with such particulars as may-be-deemed are considered important. Soid The petition shall pray for the organization of a drainage district by the name and with the boundaries proposed and for the appointment of commissioners for the execution of such proposed work, according to the provisions of this and the following sections.

- (3) (a) Any lands, the title to which is in the state of-Montana and which are within the boundaries of any drainage district heretofore created or which may be hereafter created, may be included in any such drainage district in the same manner as is by law provided for adding other lands to drainage districts whenever it is found necessary to include lands in drainage districts as provided by the preceding subsections.
- (b) Any-and-all All copies of petitions or notices required by law to be served on account of such lands being included in such drainage districts shall be served on the president of the board having control of such lands in the same manner as is hereinafter provided for the service of petitions and notices on other owners of lands in the district in which said lands are situated.
- 23 Section 8. Section 85-8-102, MCA, is amended to read:
 24 M85-8-102. Amendment and circulation of petition -25 court consideration. No petition maying as many signers as

are required by 85-8-101 may be declared void, but the court may at any time permit the petition to be amended in form and substance to conform to the facts, if the facts justify the organization of a drainage district. Several similar petitions for the organization of the same district may be circulated and, when filed, together shall be regarded as one petition having as many signers as there are separate edute signers on the several filed petitions who own lands within the proposed drainage district. All petitions for the organization of the district filed prior to the hearing on the petition shall be considered by the court the same as if filed with the first petitions placed on file, and the signatures thereon shall be counted in determining whether sufficient landowners have signed the petition."

Section 9. Section 85-8-118, MCA, is amended to read:

#85-8-118. Determination of sufficiency of petition.

The court shall near and determine whether or not the petition contains the signatures of a majority of the edule owners of lands within the proposed district who are of lawful age and who represent one-third in area of the lands proposed to be affected by said work or the signatures of the edule owners of more than one-half of such landsy and shall determine all questions of law arising on said contest. The district court in which such petition shall be filed or the judge thereof may adjourn the hearing on said

the petition from time to time for want of sufficient notice, to give time to prepare for trial, or for other good cause."

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"85-8-119. Receiving affidavits on question of petition sufficiency. The affidavits of any 10 or more of the signers of seed the petition, stating that they have examined it and are acquainted with the locality of seed the district and that seed the petition is signed by a sufficient number of educt owners of lands in seed the district to satisfy 65-8-101, may be taken by the court or judge as prime facie evidence of the facts therein stated. The affidavit of any petitioner or other landowner before such the court or represented before the court giving—the age-of-such-efficient—and asserting his or—ther ownership of such lands in the district: to-be-nessed-therein-by-proper descriptiony-sheel—the property describeds—is sufficient evidence to the court of such facts."

Section 11. Section 85-8-201, MCA, is amended to read:
#85-8-201. Dissolution of districts. Whenever the
adult owners of more than one-half of the lands within any
drainage district organized under the provisions of this
chapter shall present to the district court having
jurisdiction of said .he drainage district a petition signed
by them, praying that such drainage district be dissolved.

the image of said the court shall cause motice of such 1 petition, together with a copy of said the petition, to be served upon the commissioners of said the district, directing them to show cause on a day certain, not less than 15 or more than 30 days from the date of the filing of said the petition, why said the petition should not be granted. The judge, at the time of receiving the petition, shall make an order forbidding the commissioners from incurring any further expense or proceeding with the work of constructing 10 a grain. On said the day of hearing the court shall hear the 11 same, and if it appears that the mounts of more than 12 one-half of the lands in said the drainage district have signed said the petition, it shall be granted. Thereupon, 13 14 the court shall make an order directing the commissioners to 15 file a written report, under oath, setting forth the amount 16 of the debts and obligations of said the drainage district. 17 within 30 days after such report is filed, the court shall 16 cause to-be-spread-or-spread-a-levy an assessment to be 19 levied against all lands in said the district on the basis of the final report of the commissioners, as confirmed by 20 21 the court, and if no final report has been made, then by an 22 area basis. The court shall also enter judgment dissolving said the district and authorize the commissioners to settle 23 24 the business of the district on the basis of the final report of said the commissioners of on the area basis as 25

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confirmed by this court, said the commissioners to render their services for same without payon

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Section 12. Section 85-8-624, MCA, is amended to read:

#85-8-624. Assessments on improvements -- taxpayers*

approval, limitations, and election procedures. (1) It shall require a vote of the persons on the assessment rolls in any existing district to make Chapter 409, Laws of 1973, applicable to such districts.

- (2) Nothing in Chapter 409, Laws of 1973, confers upon districts created for drainage purposes only the authority to levy assessments on benefits to improvements.
- (3) The election provided for by subsection (1) shall be governed by the following rules:
- (a) Notice of the election shall be as provided in 85-8-303, except that the form of the ballot shall be as hereinafter provided.
- 17 (b) The manner of conducting the election shall be as provided in 85-8-304.
 - (c) The qualifications of electors shall be as provided in 85-8-305, except that, in addition to persons holding title or evidence of title to lands within the district, any person as therein defined who does not own land within the district but has been assessed or will have his improvements assessed under Chapter 409, Laws of 1973, or who will be assessed for benefits received shall be

- entitled to one vote. Commissioners shall prepare a list of such persons and give them notice as provided in 85-8-303.
 - (d) The commissioners of any district in existence prior to March 21, 1973, who wish to hold an election to determine if the district shall be governed by Chapter 409. Laws of 1973, shall at any regular or special meeting adopt a resolution calling for an election to determine whether or not the voters of said district wish to be governed by Chapter 409, Laws of 1973. The resolution shall contain a short summary of the changes made by Chapter 409, Laws of 1973, and shall include the summary as part of the notice provided for by 85-8-303. In addition, the commission shall provide copies of Chapter 409, Laws of 1973, to any person interested in obtaining a copy of the same and the notice to the persons in the district calling the election shall describe where and now copies may be obtained. commissioners may authorize a reasonable charge for providing said Copies, not to exceed 20 cents per page.
 - (e) The ballot shall include the summary as provided for in the preceding subsection and the form of the ballot shall conforms as closely as possibles to that set-forth-in 13-27-314 provided for in little 13s chapter 21.
- (f) A simple majority of those who cast valid ballots
 shall determine the outcome of the election.

-End-

SENATE MEMBERS

CARROLL GRAHAM

FRANK HAZELBAKER VIÇE CHAIRMAN

CHET BLAYLOCK

PAT M. GOODOVER

DIANA S. DOWLING EXECUTIVE DIRECTOR CODE COMMISSIONER

ELEANOR ECK ADMINISTRATIVE ASSISTANT

ROBERTA MOODY DIRECTOR, LEGISLATIVE SERVICES



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1979 Legislature Code Commissioner Bill - Summary

SENATE Bill No.

AN ACT TO GENERALLY REVISE AND CLARIFY THE LAWS RELATING TO WATER USE.

(This summary does not include discussion of routine form or grammatical changes.)

Section 1. <u>95-6-108</u>. "Incorporation tax" is changed to "license fee" and "franchise tax" is changed to "license tax" for consistency with the terminology used in the corporate laws.

Section 2. 85-7-1507. "[act]" is changed to "chapter" to provide an updated reference. The change is consistent with the intent of the section.

Section 3. 85-7-1612. In subsection (3), "[chapter]" is changed to "chapter" to provide an updated reference.

Section 4. 85-7-1904. In subsection (1)(c), new punctuation and arrangement are provided for clarity.

Section 5. 85-7-1906. In subsection (2)(b), "Federal Reclamation Act" is changed to "federal Reclamation Act of June 17, 1902" to provide a correct reference to the federal law.

Section 6. 85-7-2204. "[act]" is changed to "chapter" to provide an updated reference.

Sections 7 through 11. 85-8-101, 85-8-102. 85-8-118, 85-8-119, and 85-8-201. In these sections the requirement that an owner of land be an adult for various purposes is suggested for elimination on the basis of equal protection

and age discrimination and for consistency with the laws relating to other types of districts. Sections 85-8-119 and 85-8-201 are also rewritten for clarity.

Section 12. 85-8-624. In subsection (3)(e), "set forth in 13-27-314" is changed to "provided for in Title 13, chapter 27" to provide a more accurate reference.

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Approved by Committee on Agriwulture Livestock & Irrigation

2 INTRODUCED BY SENATE BILL NO. 40

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3 AND Hayer BY REQUEST OF THE CUDE COMMISSIONER

THE CONTROL OF THE CUDE COMMISSIONER

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND
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7 85-6-108, 85-7-1507, 95-7-1612, 85-7-1904, 85-7-1906,
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17 1902, which, under the articles of incorporation, is
18 authorized to furnish water only to its stockholdersy shall
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and, upon filing its articles of incorporation with the secretary of state, shall be required to pay only a fee of 340 for the filing and recording of such articles of incorporation and the issuance of certificate of incorporation.**

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"85-7-1507. Conflict of interest -- criminal penalty.

No commissioner or any other officer named in this [-set-]

chapter may in any manner be interested, directly or

indirectly, in any contract awarded or to be awarded by the

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Section o. Section 65-7-2204, MCA, is amended to read: #85-7-2204. Written consent of OMORES acknowledgment and recording requirements. Whenever any written consent is required to be given by or obtained from the owner or owners of any lands by any of the provisions of any of the sections of this faced chanter, such written consent must be acknowledged before some officer authorized to take acknowledgments and shall be filed and recorded in the office of the clerk and recorder of the county in which such lands are situated, and a certified copy thereof must be filed in the office of the clerk of the court in the county in which the proceedings for the organization of such district were instituted. The provisions of this section shall not apply to any petition provided for by this fact! chapter, and all such petitions may be signed in any number of original parts with the same effect as though all signatures had been affixed to one instrument."

Section 7. Section 85-8-101. MCA, is amended to read:

#85-8-101. Petition for creation of district. (1)

Whenever a majority of the adult owners of lands within any
district of land who shall represent one-third in area of
the land within said district to be reclaimed or penefited

or whenever the adult owners of more than one-half of the lands within such district desire to construct one or more drains, ditches, levees, waste ditches, or other works across the lands of others or to straighten, widen, deepen, or otherwise alter any natural stream or watercourse not navigable. for the promotion of the public health or welfare and the drainage of said the lands and removal of surface 7 8 waters therefrom: or desire to maintain and keep in repair 9 any such drain, ditch, or levee heretofore constructed under 10 any law of this state, such owners may file, in the district 11 court of any county in which the lands or any part of them 12 shall lie, a petition setting forth:

- (a) the proposed name of soid the drainage district;
- (b) the necessity of the proposed worky-describing-the

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- 16 (c) a general description of the proposed starting
 17 points, routes, and termini of the proposed drain, ditches,
 18 and levees:
- (d) a general description of the lands proposed to be
 included in said the district;
- 21 (e) the names of the owners of all lands in said the 22 districts when knowns
- 23 (2) If the purpose of said the petitioners is the
 24 enlargement, repair, and maintenance of a ditch, levee, or
 25 other work heretofore constructed under any law of this

state, said the petition shall give a general description of the same, with such particulars as may—be—deemed are considered important. Said The petition shall pray for the organization of a drainage district by the name and with the boundaries proposed and for the appointment of commissioners for the execution of such proposed work, according to the provisions of this and the following sections.

- (3) (a) Any lands, the title to which is in the state of-Montona and which are within the boundaries of any drainage district heretofore created or which may be hereafter created, may be included in any such drainage district in the same manner as is by law provided for adding other lands to drainage districts whenever it is found necessary to include lands in drainage districts as provided by the preceding subsections.
- (b) Any-end-ell All copies of petitions or notices required by law to be served on account of such lands being included in such drainage districts shall be served on the president of the board having control of such lands in the same manner as is hereinafter provided for the service of petitions and notices on other owners of lands in the district in which said lands are situated.
- Section 8. Section 85-8-102, MCA, is amended to read:

 #85-8-102. Amendment and circulation of petition -
 court consideration. No petition naving as many signers as

are required by 85-8-101 may be declared void, but the court may at any time permit the petition to be amended in form and substance to conform to the facts, if the facts justify the organization of a drainage district. Several similar petitions for the organization of the same district may be circulated and, when filed, together shall be regarded as one petition having as many signers as there are separate adult signers on the several filed petitions who own lands within the proposed drainage district. All petitions for the organization of the district filed prior to the hearing on the petition shall be considered by the court the same as if filed with the first petitions placed on file, and the signatures thereon shall be counted in determining whether sufficient landowners have signed the petition."

Section 9. Section 85-8-118, MCA, is amended to read:

#85-8-118. Determination of sufficiency of petition.

The court shall near and determine whether or not the petition contains the signatures of a majority of the adult owners of lands within the proposed district who are of lawful age and who represent one-third in area of the lands proposed to be affected by said work or the signatures of the adult owners of more than one-half of such landsy and shall determine all questions of law arising on said contest. The district court in which such petition shall be filed or the judge thereof may adjourn the hearing on said

the petition from time to time for want of sufficient notice, to give time to prepare for trial, or for other good cause."

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24 25 Section 10. Section 85-8-119, MCA, is amended to read:

"85-8-119. Receiving affidavits on question of
petition sufficiency. The affidavits of any 10 or more of
the signers of seed the petition, stating that they have
examined it and are acquainted with the locality of seed the
district and that seed the petition is signed by a
sufficient number of edule owners of lands in seed the
district to satisfy 85-8-101, may be taken by the court or
judge as prima facie evidence of the facts therein stated.
The affidavit of any petitioner or other landowner before
such the court or represented before the court giving-the
age-of-such-affiant-and asserting his or-her ownership of
such lands in the district, to-be-named-therein-by-proper
descriptions-shall—be properly, describeds is sufficient
evidence to the court of such facts."

Section 11. Section 85-8-201, MCA, is amended to read:

"85-8-201. Dissolution of districts. Whenever the

adult owners of more than one-half of the lands within any

drainage district organized under the provisions of this

chapter shall present to the district court having

jurisdiction of said the drainage district a petition signed

by them, praying that such drainage district be dissolved.

the judge of seid the court shall cause notice of such petition, together with a copy of said the petition, to be served upon the commissioners of soid the district. directing them to show cause on a day certain, not less than 4 15 or more than 30 days from the date of the filing of said the petition, why said the petition should not be granted. The judge, at the time of receiving the petition, snall make 7 an order forbidding the commissioners from incurring any further expense or proceeding with the work of constructing 9 a drain. On said the day of hearing the court shall hear the 10 same, and if it appears that the adult owners of more than 11 one-half of the lands in said the drainage district have signed soid the petition, it shall be granted. Thereupon, 13 the court shall make an order directing the commissioners to 14 file a written report, under oath, setting forth the amount 15 of the debts and obligations of said the drainage district. 16 17 Within 30 days after such report is filed, the court shall 18 cause to-be-spread-or-spread-e-levy an assessment to be 19 levied against all lands in said the district on the basis 20 of the final report of the commissioners, as confirmed by the court, and if no final report has been made, then on an 21 area basis. The court shall also enter judgment dissolving 22 23 seld the district and authorize the commissioners to settle 24 the business of the district on the basis of the final 25 report of soid the commissioners or on the area basis as

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confirmed by this court: seid the commissioners to render their services for same without pay."

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Section 12. Section 85-8-624. MCA: is amended to read: *85-8-624. Assessments on improvements -- taxpayers* approval, limitations, and election procedures. (1) It shall require a vote of the persons on the assessment rolls in any existing district to make Chapter 409: Laws of 1973: applicable to such districts.

- (2) Nothing in Chapter 409, Laws of 1973, confers upon districts created for drainage purposes only the authority to levy assessments on benefits to improvements.
- 12 (3) The election provided for by subsection (1) shall be governed by the following rules:
 - (a) Notice of the election shall be as provided in 85-8-303, except that the form of the ballot shall be as hereinafter provided.
- (b) The manner of conducting the election shall be as 17 provided in 85-8-304. 18
 - (c) The qualifications of electors shall be as provided in 85-8-305, except that, in addition to persons nolding title or evidence of title to lands within the district, any person as therein defined who does not own land within the district but has been assessed or will have his improvements assessed under Chapter 409. Laws of 1973. or who will be assessed for benefits received shall be

entitled to one vote. Commissioners shall prepare a list of such persons and give them notice as provided in 85-8-303.

- (d) The commissioners of any district in existence prior to March 21, 1973, who wish to hold an election to determine if the district shall be governed by Chapter 409. Laws of 1973, shall at any regular or special meeting adopt a resolution calling for an election to determine whether or not the voters of said district wish to be governed by Chapter 409, Laws of 1973. The resolution shall contain a short summary of the changes made by Chapter 409. Laws of 1973; and shall include the summary as part of the notice provided for by 85-8-303. In addition, the commission shall provide copies of Chapter 409, Laws of 1973, to any person interested in obtaining a copy of the same and the notice to the persons in the district calling the election shall describe where and how copies may be obtained. The commissioners may authorize a reasonable charge for providing said Copies, not to exceed 20 cents per page.
- 19 (e) The ballot shall include the summary as provided 20 for in the preceding subsection and the form of the ballot shall conforms as closely as possibles to that set-forth--in 21 22 13-27-314 provided for in little lie chapter 27.
 - (f) A simple majority of those who cast valid ballots shall determine the outcome of the election."

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46th Legislature

LC 0023/01

1	SEVATE BILL NO. 40
2	INTRODUCED BY ROLS Tollar
3 _	Men Hege By Request OF THE CODE COMMISSIONER
4	dt) al Couver

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND
6 CLARIFY THE LAWS RELATING TO WATER USE; AMENDING SECTIONS
7 85-6-108, 85-7-1507, 85-7-1612, 85-7-1904, 85-7-1906,
8 85-7-2204, 85-8-101, 85-8-102, 85-8-118, 85-8-119, 85-8-201,
9 AND 85-8-624, MCA."

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

Section 1. Section 85-6-108, MCA, is amended to read:

"85-6-108. Exemption from payment of fees. Any water
users" association organized in conformity with the
requirements of the laws of the United States and of the
state of Montana, under the Reclamation Act of June 17,
1902, which, under the articles of incorporation, is
authorized to furnish water only to its stockholdersy shall
be exempt from the payment of any incorporation—tex license tax
and, upon filing its articles of incorporation with the
secretary of state, shall be required to pay only a fee of
s40 for the filing and recording of such articles of
incorporation and the issuance of certificate of
incorporation."

Section 2. Section 65-7-1507, MCA, is amended to read:

"85-7-1507. Conflict of interest -- criminal penalty.

No commissioner or any other officer named in this feet-j

chapter may in any manner be interested, directly or

indirectly, in any contract awarded or to be awarded by the

board or in the profits derived therefrom. For any violation

of this provision, such officer is guilty of a misdemeanor

and his conviction thereof shall work forfeiture of his

office and he shall be punished as provided in 45-7-401."

Section 3. Section 85-7-1612, MCA, is amended to read:
#85-7-1612. Board of control — powers and duties. (1)
The board of control established under and by virtue of this
part shall be the operating agent of the contracting
districts for the operation and maintenance of irrigation
and/or drainage works and the delivery of water therefrom.

- (2) The board shall make and execute all necessary contracts; employ and appoint such agents, officers, and employees as may be required; and prescribe their duties.
- (3) The board shall have the authority and power to institute and maintain any and all actions and proceedings, and suits at law or in equity, necessary or proper in order to fully carry out the provisions of this [chapter] or to enforce, maintain, protect, or preserve any and all rights, privileges, and immunities created by this part or acquired in pursuance thereof, in all courts, suits, or proceedings,

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the board may sue, appear, and defend in person or by its attorneys and in the name of such board of control.

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- (4) The board may adopt rules and bylaws governing the calling and holding of meetings of the board; the manner of transacting business thereat; and the publishing or posting of the orders, resolutions, and proceedings of the board. It shall be the duty of said the board to pass or adopt bylaws and rules for the apportionment and distribution of water to the lands of the contracting districts and for the protection and preservation of the works and other property of the said districts. All orders and resolutions shall be passed or adopted by a majority of the members of the board of Control by a "yea" and "nay" vote, to be entered upon the records of the board.
- (5) Seld The board of control shall have power generally to do and perform all such other acts as shall be necessary or appropriate to fully carry out the purposes of this part."
- Section 4. Section 65-7-1904, MCA, is amended to read: "85-7-1904. Acquisition of water and waterworks by board. (1) The board shall have power and authority to:
 - (a) appropriate water in the name of the district;
- 23 (b) acquire by purchase. lease. or contract water and water rights; additional waters and supplies of water; canals, reservoirs, dams, and other works already 25

constructed or in the course of construction; and

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- purchase. lease. contract. 2 (c) acquire DY condemnation, or other legal means:
 - (i) lands and rights in lands for rights-of-waye for reservoirs: for the storage of needful waters, and for dam sitesy and necessary appurtenancesy; and

(ii) such other lands and property as may be necessary for the construction, use, maintenance, repair, improvement, enlargement, and operation of any district system of irrigation works.

- (2) The board shall have the privilege, if desired, to contract with the owner or owners of such canals, reservoirs, dams, and other works so purchased and in the course of construction for the completion thereof.
- (3) No purchase, lease, or contract for purchase of any water, water rights, canals, reservoirs, reservoir sites, dam sites, irrigation works, or other property of any nature or kind or for the making or purchasing of surveys. maps, plans, estimates, and specifications or for the purchase of machinery for pumping plants or for the erection of buildings, aggeducts, and other structures necessarily used in connection with such pumping plants, for a price or rental in excess of \$80,000, shall be final or binding upon the district, nor shall said sum be paid without the written consent or petition of at least a majority in number and

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acreage of the holders of title or evidence of title to the lands within the district. Any splitting or division of such purchase, lease, or contract with the purpose or intention of avoiding or circumventing the provisions of this section shall render such divided or split contract or contracts absolutely-null-end void.

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Section 5. Section 85-7-1906. MCA, is amended to read:
#85-7-1906. Relations with United States. (1) For the
purpose of acquiring control over government land within the
district and of complying with the provisions of the act of
congress of August 11, 1916, the board shall have authority
to make such investigations and base thereon such
representations and assurances to the secretary of the
interior as may be requisite.

- (2) The board may enter into any obligation or contract with the United States:
- (a) for the construction, operation, and maintenance of the necessary works for the delivery and distribution of water therefrom and the necessary drainage works;
- (b) for the assumption, as principal or guarantor, of indebtedness to the United States on account of district lands, under the provisions of the Federal federal Reclamation Act of June 17, 1902, all acts amendatory thereof or supplementary thereto, and the rules and regulations established thereunder; or

(c) for a water supply under any act of congress providing for or permitting such contract.

3 (3) In case contract has been or may hereafter be made with the United States as herein provided, bonds of the 5 district may be deposited with the United States at 90% of their par value, to the asount to be paid by the district to the United States under any such contract. The interest on said bonds of the district and regularly paid to the United States is to be applied as provided in such contract. If bonds of the district are not so deposited, it shall be the 10 duty of the board of commissioners to include, as part of 11 12 any levy or assessment provided for in 85-7-2101 or 13 85-7-2132, an amount sufficient to meet each year all 14 payments accruing under the terms of any such contract. The board may accept, on behalf of the district, appointment of 15 16 the district as fiscal agent of the United States or 17 authorization of the district by the United States to make 18 collections of moneys money for or on behalf of the United 19 States in connection with any federal reclamation project. 20 whereupon the district shall be authorized to so act and to assume the duties and liabilities incident to such action. 21 22 The board shall have full power to do eny-and all things 23 required by the federal statutes now or hereafter enacted in connection therewith and all things required by the rules 24 25 and regulations now or that may hereafter be established by

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any department of the federal government in regard thereto: including the power to require the prompt payment of all charges as prerequisite to water service.

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Section b. Section 65-7-2204. MCA. is agended to read: #85-7-2204. Written consent of OWNERS acknowledgment and recording requirements. Whenever any written consent is required to be given by or obtained from the owner or owners of any lands by any of the provisions of any of the sections of this fact chanter, such written consent must be acknowledged before some officer authorized to take acknowledgments and shall be filed and recorded in the office of the clerk and recorder of the county in which such lands are situated, and a certified copy thereof must be filed in the office of the clerk of the court in the county in which the proceedings for the organization of such district were instituted. The provisions of this section shall not apply to any petition provided for by this facti chanter, and all such petitions may be signed in any number of original parts with the same effect as though all signatures had been affixed to one instrument.*

Section 7. Section 85-8-101, MCA, is amended to read:

#85-8-101. Petition for creation of district. (1)
Whenever a majority of the edubt owners of lands within any
district of land who shall represent one-third in area of
the land within said district to be reclaimed or benefited

or whenever the edult owners of more than one-half of the 1 lands within such district desire to construct one or more 2 drains, ditches, levees, waste ditches, or other works 3 across the lands of others or to straighten, widen, deepen, or otherwise alter any natural stream or watercourse not navigable, for the promotion of the public health or welfare and the drainage of said the lands and removal of surface waters therefrom; or desire to maintain and keep in repair any such drain, ditch, or levee heretofore constructed under 9 any law of this state, such owners may file, in the district 10 court of any county in which the lands or any part of them 11 12 shall lie, a petition setting forth:

- (a) the proposed name of said the drainage district;
- 14 (b) the necessity of the proposed worky-describing-the
 15 necessity:

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- (c) a general description of the proposed starting points, routes, and termini of the proposed drain, ditches, and leves;
- 19 (d) a general description of the lands proposed to be
 20 included in seid the district;
- 21 (e) the names of the owners of all lands in seed the
 22 district, when known.
- 23 (2) If the purpose of said the petitioners is the
 24 enlargement, repair, and maintenance of a ditch, levee, or
 25 other work heretofore constructed under any law of this

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state, said the petition shall give a general description of the same, with such particulars as may-be--decord are considered important. Said The petition shall pray for the organization of a drainage district by the name and with the boundaries proposed and for the appointment of commissioners for the execution of such proposed work, according to the provisions of this and the following sections.

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- (3) (a) Any lands, the title to which is in the state of-Nentana and which are within the boundaries of any drainage district heretofore created or which may be hereafter created, may be included in any such drainage district in the same manner as is by law provided for adding other lands to drainage districts whenever it is found necessary to include lands in drainage districts as provided by the preceding subsections.
- (b) Any-and-all All copies of petitions or notices required by law to be served on account of such lands being included in such drainage districts shall be served on the president of the board having control of such lands in the same manner as is hereinafter provided for the service of petitions and notices on other owners of lands in the district in which said lands are situated."

Section 8. Section 85-8-102, MCA, is amended to read: #85-8-102. Amendment and circulation of petition -court consideration. No petition having as many signers as

are required by 85-8-101 may be declared void. but the Court may at any time permit the petition to be amended in form and substance to Conform to the facts, if the facts justify 3 the organization of a drainage district. Several similar petitions for the organization of the same district may be circulated and, when filed, together shall be regarded as 7 one petition having as many signers as there are separate edule signers on the several filed petitions who own lands 9 within the proposed drainage district. All petitions for the 10 organization of the district filed prior to the hearing on 11 the patition shall be considered by the court the same as if filed with the first petitions placed on file, and the 12 13 signatures thereon shall be counted in determining whether 14 sufficient landowners have signed the petition."

Section 9. Section 85-8-118. MCA. is amended to read: #85-8-118. Determination of sufficiency of petition. The court shall near and determine whether or not the petition contains the signatures of a majority of the edule owners of lands within the proposed district who are of lawful age and who represent one-third in area of the lands proposed to be affected by said work or the signatures of the edult owners of more than one-half of such lands, and shall determine all questions of law arising on said contest. The district court in which such petition shall be filed or the judge thereof may adjourn the hearing on sold

the petition from time to time for want of sufficient
notice, to give time to prepare for trial, or for other good
cause.**

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Section 10. Section 85-8-119, MCA, is amended to read:

"85-8-119. Receiving affidavits on question of petition sufficiency. The affidavits of any 10 or more of the signers of seid the petition, stating that they have examined it and are acquainted with the locality of seid the district and that seid the petition is signed by a sufficient number of adult owners of lands in seid the district to satisfy 85-8-101, may be taken by the court or judge as prime facile evidence of the facts therein stated. The affidavit of any petitioner or other landowner before such the court or represented before the court giving the age-of-such-efficant-and asserting his er-her ownership of such lands in the district, to-be-nessed-therein-by-proper descriptions-shell—be properly described. Is sufficient evidence to the court of such facts."

Section 11. Section 85-8-201, NCA, is amended to read:
#85-8-201. Dissolution of districts. Whenever the

adult owners of more than one-half of the lands within any
drainage district organized under the provisions of this
chapter shall present to the district court having
jurisdiction of said the drainage district a petition signed
by them, praying that such drainage district be dissolved,

1 the judge of said the court shall cause notice of such petition, together with a copy of tate the petition, to be served upon the commissioners of said the district. 3 directing them to show cause on a day certain; not less than 15 or more than 30 days from the date of the filing of said 5 the petition, why said the petition should not be granted. The judge, at the time of receiving the petition, shall make 7 an order forbidding the commissioners from incurring any further expense or proceeding with the work of constructing a drain. On said the day of hearing the court shall hear the 10 same, and if it appears that the adult owners of more than 11 one-half of the lands in said the drainage district have 12 13 signed soid the petition, it shall be granted. Thereupon, 14 the court shall make an order directing the commissioners to file a written report, under oath, setting forth the amount 15 of the debts and obligations of said the drainage district. 16 17 Within 30 days after such report is filed, the court shall cause tember-spread-er-spread-e-levy an assessment to be 18 levied against all lands in said the district on the basis 19 20 of the final report of the commissioners, as confirmed by 21 the court, and if no final report has been made, then on an 22 area basis. The court shall also enter judgment dissolving said the district and authorize the commissioners to settle 23 the business of the district on the basis of the final 24 report of said the commissioners or on the area basis as 25

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confirmed by this court, send the commissioners to render their services for same without pay."

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Section 12. Section 85-8-624. MCA, is amended to read:

"85-8-624. Assessments on improvements -- taxpayers*
approval, limitations, and election procedures. (1) It shall require a vote of the persons on the assessment rolls in any existing district to make Chapter 409, Laws of 1973, applicable to such districts.

- (2) Nothing in Chapter 409, Laws of 1973, confers upon districts created for drainage purposes only the authority to levy assessments on benefits to improvements.
- 12 (3) The election provided for by subsection (1) shall
 13 be governed by the following rules:
 - (a) Notice of the election shall be as provided in 85-8-303, except that the form of the ballot shall be as hereinafter provided.
 - (b) The manner of conducting the election shall be as provided in 85-8-304.
 - (c) The qualifications of electors shall be as provided in 85-8-305, except that, in addition to persons holding title or evidence of title to lands within the district, any person as therein defined who does not own land within the district but has been assessed or will have his improvements assessed under Chapter 409, Laws of 1973, or who will be assessed for benefits received shall be

entitled to one vote. Commissioners shall prepare a list of such persons and give them notice as provided in 85-8-303.

- (d) The commissioners of any district in existence prior to March 21, 1973, who wish to hold an election to determine if the district shall be governed by Chapter 409. Laws of 1973, shall at any regular or special meeting adopt a resolution calling for an election to determine whether or not the voters of said district wish to be governed by Chapter 409, Laws of 1973. The resolution shall contain a short summary of the changes made by Chapter 409. Laws of 1973, and shall include the summary as part of the notice provided for by 85-8-303. In addition, the commission shall provide copies of Chapter 409, Laws of 1973, to any person interested in obtaining a copy of the same and the notice to the persons in the district calling the election shall describe where and how copies may be obtained. commissioners may authorize a reasonable charge for providing said copies, not to exceed 20 cents per page.
- (e) The ballot shall include the summary as provided for in the preceding subsection and the form of the ballot shall conforms as closely as possibles to that set-forth—in the table of the provided for in Little 13s chapter 27.
- (f) A simple majority of those who cast valid ballots shall determine the outcome of the election."

5B40

SB 0040/02 46th Legislature

2	INTRODUCED BY BOYLAN, KOLSTAD, GRAHAM, GALT.
3	HAGER, CONCVER
4	BY REQUEST OF THE CODE COMMISSIONER
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND
7	CLARIFY THE LAWS RELATING TO WATER USE; AMENDING SECTIONS
В	85-6-108, 85-7-1507, 85-7-1612, 85-7-1904, 85-7-1906,
9	85-7-2204, 85-8-101, 85-8-102, 85-8-118, 85-8-119, 85-8-201,
10	AND 85-8-624. MCA."
11	
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13	Section 1. Section 85-6-108, MCA, is amended to read:
14	#85-6-108. Exemption from payment of fees. Any water
15	users' association organized in conformity with the
16	requirements of the laws of the United States and of the
17	state of Montana, under the Reclamation Act of June 17,
18	1902, which, under the articles of incorporation, is
19	authorized to furnish water only to its stockholdersy shall
20	be exempt from the payment of any incorporation-tex license
21	fee and from the payment of any annual frenchise license tax
22	and, upon filing its articles of incorporation with the
23	secretary of state. Shall be required to pay only a fee of
24	\$40 for the filing and recording of such articles of
25	incorporation and the issuance of certificate of

SENATE BILL NO. 40

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1 incorporation." 2 Section 2. Section 85-7-1507, MCA+ is amended to read: #85-7-1507. Conflict of interest -- criminal penalty. 3 No commissioner or any other officer named in this feet-5 chanter may in any manner be interested, directly or indirectly, in any contract awarded or to be awarded by the board or in the profits derived therefrom. For any violation 7 of this provision, such officer is quilty of a misdemeanor and his conviction thereof shall work forfeiture of his 9 10 office and he shall be punished as provided in 45-7-401.** Section 3. Section 85-7-1612: MCA: is amended to read: 11 12 *85-7-1612. Board of control -- powers and duties. (1) 13 The board of control established under and by virtue of this 14 part shall be the operating agent of the contracting 15 districts for the operation and maintenance of irrigation 16 and/or drainage works and the delivery of water therefrom. 17 (2) The board shall make and execute all necessary contracts; employ and appoint such agents, officers, and 18 employees as may be required; and prescribe their duties. 19 20 (3) The board shall have the authority and power to 21 institute and maintain any and all actions and proceedingsv 22

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and suits at law or in equity, necessary or proper in order

to fully carry out the provisions of this fchapterd or to

enforce, maintain, protect, or preserve any and all rights,

privileges, and immunities created by this part or acquired

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SENATE REFERENCE BILL HOUSE CONSENT CALENDAR \$8 0040/02

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in pursuance thereof. In all courts, suits, or proceedings, the board may sue, appear, and defend in person or by its attorneys and in the name of such board of control.

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- (4) The board may adopt rules and bylaws governing the calling and holding of meetings of the board; the manner of transacting business thereat; and the publishing or posting of the orders, resolutions, and proceedings of the board. It shall be the duty of said the board to pass or adopt bylaws and rules for the apportionment and distribution of water to the lands of the contracting districts and for the protection and preservation of the works and other property of the said districts. All orders and resolutions shall be passed or adopted by a majority of the members of the board of control by a "yea" and "nay" vote, to be entered upon the records of the board.
- (5) Seed <u>The</u> board <u>of control</u> shall have power generally to do and perform all such other acts as shall be necessary or appropriate to fully carry out the purposes of this part.
- Section 4. Section 85-7-1904, MCA, is amended to read:

 **85-7-1904. Acquisition of water and waterworks by
 board. (1) The board shall have power and authority to:
 - (a) appropriate water in the name of the district;
- 24 (b) acquire by purchase, lease, or contract water and 25 water rights; additional waters and supplies of water;

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1	canals.	reservoirs,	dams,	and	other	works	already
2	construc	ted or in the	Course	of cons	struction	n; and	

- (c) acquire by purchase, lease, contract, condemnation, or other legal means;
- 5 <u>fil</u> lands and rights in lands for rights-of-way, for 6 reservoirs, for the storage of needful waters, and for dam 7 sites, and necessary appurtenances; and
 - for the construction, use, maintenance, repair, improvement,
 enlargement, and operation of any district system of
 irrigation works.
 - (2) The board shall have the privilege, if desired, to contract with the owner or owners of such canals, reservoirs, dams, and other works so purchased and in the course of construction for the completion thereof.
 - (3) No purchase, lease, or contract for purchase of any water, water rights, canals, reservoirs, reservoir sites, dam sites, irrigation works, or other property of any nature or kind or for the making or purchasing of surveys, maps, plans, estimates, and specifications or for the purchase of machinery for pumping plants or for the erection of buildings, aqueducts, and other structures necessarily used in connection with such pumping plants, for a price or rental in excess of \$80,000, shall be final or binding upon the district, nor shall said sum be paid without the written

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consent or petition of at least a majority in number and acreage of the holders of title or evidence of title to the lands within the district. Any splitting or division of such purchase. lease, or contract with the purpose or intention of avoiding or circumventing the provisions of this section shall render such divided or split contract or contracts ebsolutely-null-end void.

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Section 5. Section 85-7-1906. MCA, is amended to read:
#85-7-1906. Relations with United States. (1) For the
purpose of acquiring control over government land within the
district and of complying with the provisions of the act of
congress of August 11, 1916, the board shall have authority
to make such investigations and base thereon such
representations and assurances to the secretary of the
interior as may be requisite.

- (2) The board may enter into any obligation or contract with the United States:
- (a) for the construction, operation, and maintenance of the necessary works for the delivery and distribution of water therefrom and the necessary drainage works;
- (b) for the assumption, as principal or guarantor, of indebtedness to the United States on account of district lands, under the provisions of the Federal federal Reclamation Act of June 17: 1902, all acts amendatory thereof or supplementary thereto, and the rules and

1 regulations established thereunder; or

- 2 (c) for a water supply under any act of congress
 3 providing for or permitting such contract.
 - (3) In case contract has been or may hereafter be made with the United States as herein provided, bonds of the district may be deposited with the United States at 90% of their par value, to the amount to be paid by the district to the United States under any such contract. The interest on said bonds of the district and regularly paid to the United States is to be applied as provided in such contract. If bonds of the district are not so deposited, it shall be the duty of the board of commissioners to include, as part of any levy or assessment provided for in 85-7-2101 or 85-7-2132, an amount sufficient to meet each year all payments accruing under the terms of any such contract. The board may accept, on behalf of the district, appointment of the district as fiscal agent of the United States or authorization of the district by the United States to make collections of moneys money for or on behalf of the United States in connection with any federal reclamation project. whereupon the district shall be authorized to so act and to assume the duties and liabilities incident to such action. The board shall have full power to do any-and all things required by the federal statutes now or hereafter enacted in connection therewith and all things required by the rules

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and regulations now or that may hereafter be established by any department of the federal government in regard thereto. including the power to require the prompt payment of all charges as prerequisite to water service."

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Section 6. Section 85-7-2204. MCA. is amended to read: #85-7-2204. Written consent OWNERS acknowledgment and recording requirements. Whenever any written consent is required to be given by or obtained from the owner or owners of any lands by any of the provisions of any of the sections of this fact- chapter, such written consent must be acknowledged before some officer authorized to take acknowledgments and shall be filed and recorded in the office of the clerk and recorder of the county in which such lands are situated, and a certified copy thereof must be filed in the office of the clerk of the court in the county in which the proceedings for the organization of such district were instituted. The provisions of this section shall not apply to any petition provided for by this factchapter, and all such petitions may be signed in any number of original parts with the same effect as though all signatures had been affixed to one instrument."

22 Section 7. Section 85-8-101, MCA, is amended to read: #85-8-101. Petition for creation of district. (1) 23 24 Whenever a majority of the adult owners of lands within any 25 district of land who shall represent one-third in area of

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the land within said district to be reclaimed or benefited 1 or whenever the adult owners of more than one-half of the 3 lands within such district desire to construct one or more drains, ditches, levees, waste ditches, or other works across the lands of others or to straighten, widen, deepen, or otherwise alter any natural stream or watercourse not 7 navigable, for the promotion of the public health or welfare and the drainage of said the lands and removal of surface waters therefrom; or desire to maintain and keep in repair 10 any such drain, ditch, or levee heretofore constructed under 11 any law of this state, such owners may file, in the district 12 court of any county in which the lands or any part of them 13 shall lie, a petition setting forth:

- (a) the proposed name of said the drainage district;
- 15 (b) the necessity of the proposed work--describing-the 16 necessity;
- 17 (c) a general description of the proposed starting 18 points, routes, and termini of the proposed drain, ditches, and levees:
- 20 (d) a general description of the lands proposed to be 21 included in soid the district;
- 22 (e) the names of the owners of all lands in said the 23 district, when known.
- 24 (2) If the purpose of said the petitioners is the enlargement, repair, and maintenance of a ditch, levee, or

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other work heretofore constructed under any law of this state, said the petition shall give a general description of the same, with such particulars as may-be-deemed are considered important. Said The petition shall pray for the organization of a drainage district by the name and with the boundaries proposed and for the appointment of commissioners for the execution of such proposed work, according to the provisions of this and the following sections.

- (3) (a) Any lands, the title to which is in the state of~Montene and which are within the boundaries of any drainage district heretofore created or which may be hereafter created, may be included in any such drainage district in the same manner as is by law provided for adding other lands to drainage districts whenever it is found necessary to include lands in drainage districts as provided by the preceding subsections.
- (b) Any-and-all copies of petitions or notices required by law to be served on account of such lands being included in such drainage districts shall be served on the president of the board having control of such lands in the same manner as is hereinafter provided for the service of petitions and notices on other owners of lands in the district in which said lands are situated."

Section 8. Section 85-8-102. MCA, is amended to read:

#85-8-102. Amendment and circulation of petition --

court consideration. No petition having as many signers as are required by 85-8-101 may be declared void. but the court may at any time permit the petition to be amended in form and substance to conform to the facts. if the facts justify the organization of a drainage district. Several similar petitions for the organization of the same district may be circulated and, when filed, together shall be regarded as one petition having as many signers as there are separate adult signers on the several filed petitions who own lands within the proposed drainage district. All petitions for the organization of the district filed prior to the hearing on the petition shall be considered by the court the same as if filed with the first petitions placed on file, and the signatures thereon shall be counted in determining whether sufficient landowners have signed the petition.

Section 9. Section 85-8-118, MCA; is amended to read:

#85-8-118. Determination of sufficiency of petition.

The court shall hear and determine whether or not the petition contains the signatures of a majority of the adult owners of lands within the proposed district who are of lawful age and who represent one-third in area of the lands proposed to be affected by said work or the signatures of the adult owners of more than one-half of such lands, and shall determine all questions of law arising on said contest. The district court in which such petition shall be

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filed or the judge thereof may adjourn the hearing on soid
the petition from time to time for want of sufficient
notice, to give time to prepare for trial, or for other good
cause.**

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Section 10. Section 85-8-119. MCA, is amended to read:

"85-8-119. Receiving affidavits on question of
petition sufficiency. The affidavits of any 10 or more of
the signers of soid the petition, stating that they have
examined it and are acquainted with the locality of soid the
district and that soid the petition is signed by a
sufficient number of edult owners of lands in soid the
district to satisfy 85-8-101, may be taken by the court or
judge as prima facie evidence of the facts therein stated.
The affidavit of any petitioner or other landowner before
such the court or represented before the court giving-the
ege-of-such-efficient-and asserting his or-her ownership of
such lands in the district, to-be-named-therein-by-proper
descriptiony-shall--be properly described, is sufficient
evidence to the court of such facts."

Section 11. Section 85-8-201. MCA, is amended to read:

#85-8-201. Dissolution of districts. Whenever the
adult owners of more than one-half of the lands within any
drainage district organized under the provisions of this
chapter shall present to the district court having
jurisdiction of said the drainage district a petition signed

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by them, praying that such drainage district be dissolved, the judge of soid the court shall cause notice of such 2 petition, together with a copy of said the petition, to be served upon the commissioners of said the district. directing them to show cause on a day certain, not less than 15 or more than 30 days from the date of the filing of seid 7 the petition, why said the petition should not be granted. The judge, at the time of receiving the petition, shall make an order forbidding the commissioners from incurring any 9 10 further expense or proceeding with the work of constructing a drain. On said the day of hearing the court shall hear the 11 12 same, and if it appears that the adult owners of more than 13 one-half of the lands in said the drainage district have signed said the petition, it shall be granted. Thereupon, 14 15 the court shall make an order directing the commissioners to file a written report, under oath, setting forth the amount 16 17 of the debts and obligations of said the drainage district. within 30 days after such report is filed, the court shall 18 19 cause to--be--spread-or-spread-o-levy an assessment_io_be levied against all lands in said the district on the basis 20 of the final report of the commissioners, as confirmed by 21 the court, and if no final report has been made, then on an 22 area basis. The court shall also enter judgment dissolving 23 soid the district and authorize the commissioners to settle 24 the business of the district on the basis of the final 25

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report of seid the commissioners or on the area basis as

confirmed by this court, seid the commissioners to render

their services for same without pay."

Section 12. Section 85-8-624, MCA, is amended to read:

#85-8-624. Assessments on improvements -- taxpayers*

approval, limitations, and election procedures. (1) It shall

require a vote of the persons on the assessment rolls in any

existing district to make Chapter 409, Laws of 1973,

applicable to such districts.

- (2) Nothing in Chapter 409, Laws of 1973, confers upon districts created for drainage purposes only the authority to levy assessments on benefits to improvements.
- 13 (3) The election provided for by subsection (1) shall 14 be governed by the following rules:

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- (a) Notice of the election shall be as provided in 85-8-303, except that the form of the ballot shall be as hereinafter provided.
- (b) The manner of conducting the election shall be as provided in 85-8-304.
- {c} The qualifications of electors shall be as provided in 85-8-305, except that, in addition to persons holding title or evidence of title to lands within the district, any person as therein defined who does not own land within the district but has been assessed or will have his improvements assessed under Chapter 409, Laws of 1973,

2 entitled to one vote. Commissioners shall prepare a list of 3 such persons and give them notice as provided in 85-8-303. (d) The commissioners of any district in existence prior to March 21, 1973, who wish to hold an election to determine if the district shall be governed by Chapter 409. 7 Laws of 1973, shall at any regular or special meeting adopt a resolution calling for an election to determine whether or not the voters of said district wish to be governed by Chapter 409, Laws of 1973. The resolution shall contain a 10 11 short summary of the changes made by Chapter 409, Laws of 12 1973, and shall include the summary as part of the notice 13 provided for by 85-8-303. In addition, the commission shall provide copies of Chapter 409, Laws of 1973, to any person 14 15 interested in obtaining a copy of the same and the notice to 16 the persons in the district calling the election shall 17 describe where and how copies may be obtained.

or who will be assessed for benefits received shall be

(e) The ballot shall include the summary as provided for in the preceding subsection and the form of the ballot shall conforms as closely as possibles to that set-forth--in 13-27-314 provided for in Title 13: chapter 27.

providing said copies, not to exceed 20 cents per page.

commissioners may authorize a reasonable charge for

(f) A simple majority of those who cast valid ballots
 shall determine the outcome of the election.