HOUSE BILL NO. 426

INTRODUCED BY BERTELSEN, ECK

IN THE HOUSE

January 20, 1983	Introduced and referred to Committee on Local Government.
January 21, 1983	On motion by chief sponsor, Senator Eck was added as a sponsor to the bill.
February 3, 1983	Committee recommend bill do pass as amended. Report adopted.
February 4, 1983	Bill printed and placed on members' desks.
February 5, 1983	Second reading, do pass.
February 7, 1983	Considered correctly engrossed.
February 8, 1983	Third reading, passed. Transmitted to Senate.
IN THE S	enate
February 9, 1983	Introduced and referred to Committee on Local Government.
March 23, 1983	Committee recommend bill be concurred in. Report adopted.
March 24, 1983	Second reading, concurred in.
March 28, 1983	Third reading, concurred in. Ayes, 46; Noes, 1.

IN THE HOUSE

March	28, 1983	Returned to House.
March	29, 1983	Sent to enrolling.
March	30, 1983	Correctly enrolled.
March	31, 1983	Signed by Speaker.
April	1, 1983	Signed by President.
		Delivered to Governor.
April	6, 1983	Returned from Governor with recommended amendments.
April	7, 1983	Second reading, Governor's amendments concurred in.
April	8, 1983	Third reading, Governor's amendments concurred in.
	IN	THE SENATE
April	IN 983	THE SENATE Governor's amendments transmitted to Senate.
•		Governor's amendments
April	11, 1983	Governor's amendments transmitted to Senate. Second reading, Governor's
April	11, 1983 20, 1983 21, 1983	Governor's amendments transmitted to Senate. Second reading, Governor's amendments concurred in. Third reading, Governor's
April April	11, 1983 20, 1983 21, 1983	Governor's amendments transmitted to Senate. Second reading, Governor's amendments concurred in. Third reading, Governor's amendments concurred in.

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4 A BILL FOR AN ACT ENTITLED: MAN ACT TO IMPLEMENT ARTICLE XI. SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING 5 6 FOR ELECTIONS ON THE QUESTION OF REVIEW OF LOCAL GOVERNMENT 7 AND PROCEDURES FOR THE ESTABLISHMENT AND FUNCTIONING OF 8 LOCAL GOVERNMENT STUDY COMMISSIONS AND FOR THE 9 IMPLEMENTATION OF THEIR RECOMMENDATIONS; AMENDING SECTIONS 7-3-143 AND 7-3-151. MCA." 10

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 13 <u>NEW SECTION</u> Section 1. Purpose. The purpose of 14 [sections 1 through 25] is to provide a mechanism for local 15 government review as required by Article XI, section 9, of 16 the Montana constitution.

17 <u>NEW SECTION</u> Section 2. Purpose of study commission.
18 The purpose of a study commission is to study the existing
19 form and powers of a local government and procedures for
20 delivery of local government services and compare them with
21 other forms available under the laws of the state.

22 <u>NEW SECTION</u> Section 3. Establishment of study 23 commissions. (1) A study commission may be established by an 24 affirmative vote of the people. An election on the question 25 of conducting a local government review and establishing a 1 study commission shall be held:

2 (a) whenever the governing body of the local
3 government unit calls for an election by resolution;

4 (b) whenever a petition signed by at least 15% of the 5 electors of the local government calling for an election is 6 submitted to the governing body; or

7 (c) in 1984 and thereafter whenever 10 years have 8 elapsed since the electors have voted on the question of 9 conducting a local government review and establishing a 10 study commission.

11 (2) The governing body shall call for an election, to 12 be held on the primary election date, on the question of 13 conducting a local government review and establishing a 14 study commission:

15 (a) in 1984 to implement the provisions of Article XI,
16 section 9(2), of the Montana constitution as provided in
17 section 2, Chapter 70, Laws of 1977;

18 (b) within 1 year after the 10-year period referred to
19 in subsection (1)(c).

<u>NEW_SECTION.</u> Section 4. Election procedures. (1)
Votes cast on the question of establishing a study
commission and for electing study commission members shall
be counted, canvassed, and returned as provided in Title 13
for general elections.

25 (2) The election administrator shall report the

-2- INTRODUCED BILL HBUDG results of all elections conducted under [sections 1 through
 25] to the secretary of state within 15 days of the date the
 results become official.

4 <u>NEW_SECTION</u> Section 5. Election on question of 5 establishing study commission. (1) The question of 6 conducting a local government review and establishing a 7 study commission shall be submitted to the electors in 8 substantially the following form:

9 Vote for one:

10 FOR the review of the government of (insert name of 11 local government) and the establishment of a local 12 government study commission consisting of (insert 13 number of members) members to examine the government 14 of (insert name of local government) and submit 15 recommendations thereon.

16 AGAINST the review of the government of (insert name 17 of local government) and the establishment of a 18 study commission.

19 (2) The question of conducting a local government 20 review and establishing a study commission requires an 21 affirmative vote of a majority of those voting on the 22 question for passage.

23 (3) Except for elections to be conducted pursuant to
24 [section 3(2)], a special election on the question of
25 reviewing a local government and establishing a study

commission shall be held no sooner than 60 days and no later
 than 90 days after the passage of a resolution or the
 certification of a petition calling for an election on the
 question.

5 NEW SECTION. Section 6. Election of commission 6 members. (1) If the question of reviewing the local 7 government and establishing a study commission is approved, 8 an election to fill the positions on the local government 9 study commission shall be held in conjunction with the 1984 10 general election date or at the first regularly scheduled election of the local government conducted after 90 days 11 12 following the election establishing the study commission. A primary election may not be held. 13

14 (2) The names of study commission candidates who have 15 filed declarations of nomination shall be placed on the 16 ballot. There is no filing fee. The election is nonpartisan, 17 and candidates shall be listed without party or other 18 designation or slogan. The secretary of state shall 19 prescribe the ballot form for study commissions.

20 (3) Candidates for study commission positions shall be 21 electors of the local government for which the study 22 commission has been established. The candidates may not be 23 elected officials of the local government.

24 (4) The number of candidates, equal to the number of25 study commission positions to be elected, receiving the

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highest number of votes shall be declared elected.
(5) If the number of study commissioners elected is
not equal to the number required to be selected, the
chairman of the governing body, with the confirmation of the
governing body, shall appoint the additional study
commissioners within 20 days of the election. No elected
official of the local government may be appointed.

8 NEW_SECTION. Section 7. Composition of study 9 commission. (1) The number of positions, which must be an 10 odd number of not less than three, on the study commission shall be set out in the resolution or petition calling for 11 12 election on the question of reviewing the local the 13 government or local governments and establishing a study commission. If the election is called under the provisions 14 15 of [section 3(1)(c)], the study commission shall consist of 16 three members unless the local governing body by resolution 17 declares that a larger number shall be elected.

18 (2) Every study commission shall include as an ex
19 officio nonvoting member a member of the governing body or
20 an elected official or employee of the local government
21 appointed by the governing body.

NEW SECTION. Section 8. Term of office. The term of office of study commission members begins on the day their election to the study commission is declared or certified under 13-15-405 or on the day of their appointment and ends on the day of the vote on the alternative plan. If the
 alternative plan is adopted, the term continues for 90 days
 after the day of the vote on the alternative plan.

4 <u>NEW SECTION</u>. Section 9. Vacancies. Vacancies on a 5 study commission shall be filled by appointment by the 6 governing body of the local government being studied by the 7 commission.

8 <u>NEW_SECTION.</u> Section 10. Compensation. Members of the 9 study commission may receive no compensation other than for 10 actual and necessary expenses incurred in their official 11 capacity.

12 <u>NEH_SECTION</u>. Section 11. Organization of commission. 13 (1) Not later than 10 days after all members of the study 14 commission have been elected or appointed, the study 15 commission shall meet and organize at a time set by the 16 chairman of the governing body of the local government which 17 the study commission is to examine.

18 (2) At the first meeting of the study commission; the
19 study commission may elect a temporary chairman; who will
20 serve until a permanent chairman is selected.

21 <u>NEH_SECTION</u> Section 12. Cooperation of study
22 commissions. (1) Any two or more study commissions may
23 cooperate in the conduct of their studies. A majority vote
24 by each of the affected study commissions is required for a
25 cooperative study.

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1 (2) Cooperative studies do not preclude each study commission from making a separate report and recommendation. 2 з NEW SECTION. Section 13. Conduct of business. (1) 4 Meetings of the study commission shall be held upon the call of the chairman, vice-chairman in the absence or inability 5 of the chairman, or a majority of the members. The chairman 6 7 shall announce the time and place of the meetings of the 8 study commission.

9 (2) The study commission shall maintain a written 10 record of its proceedings and its finances. This record is 11 open to inspection by any person at the office of the study 12 commission during regular office hours.

13 (3) A majority of the members of the study commission 14 constitutes a quorum for the transaction of business, but no 15 recommendation of a study commission may have any legal 16 effect unless adopted by a majority of the whole number of 17 members of the study commission.

18 (4) The study commission may adopt rules for its own
 19 organization and procedure.

20 <u>NEW SECTION</u>. Section 14. Open meetings and public 21 involvement. All meetings of the study commission are open 22 to the public as provided in Title 2, chapter 3, part 2. The 23 study commission shall hold public hearings and community 24 forums and may use other suitable means to disseminate 25 information, receive suggestions and comments, and stimulate 1 public discussion of its purpose, progress, conclusions, and 2 recommendations.

3 NEW_SECTION. Section 15. Commission powers. (1) A 4 study commission may employ and fix the compensation and 5 duties of necessary staff. State, municipal, and county officers and employees, at the request of the study 6 7 commission and with the consent of the employing agency, may be granted leave with or without pay from their agency to 8 serve as consultants to the study commission. If leave with Q 10 pay is granted, they may receive no other compensation from 11 the study commission except mileage and per diem.

(2) A study commission may contract and cooperate with 12 other agencies, public or private, as it considers necessary 13 for assistance in carrying out the purposes for which the 14 commission was established. Upon request of the chairman of 15 16 the study commission, state agencies, counties, and other local governments and the officers and employees thereof 17 shall furnish or make available to the commission such 18 information as may be necessary for carrying out the 19 commission's function. 20

21 (3) A study commission may:

(a) establish advisory boards and committees,
including on them persons who are not members of the study
commission;

25 (b) retain consultants; and

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(c) do any other act consistent with and reasonably
 required to perform its function.

3 <u>NEW SECTION</u>. Section 16. Financial administration. 4 (1) A study commission shall prepare a budget for each 5 fiscal year it is in existence and submit it to the local 6 governing body for approval.

7 (2) (a) For the support of the study commission, for 8 each fiscal year the study commission is in existence, each 9 local government under study shall appropriate the 10 equivalent of at least 1 mill and the local government may 11 levy up to 1 mill in excess of all other mill levies 12 authorized by law to fund the appropriation for the support 13 of the study commission.

14 (b) The local government shall provide office and 15 meeting space and clerical assistance to the study 16 commission. The cost of clerical assistance and other 17 in-kind services provided by the local government may be 18 used to partially fulfill the appropriation requirement of 19 subsection (2)(a).

20 (c) The local government may in its discretion provide
21 additional funds and other assistance.

(3) The study commission may apply for and accept
 available private, state, and federal money and may accept
 donations from any source.

25 (4) All money received by the study commission shall

1 be deposited with the local government finance 2 administrator. The finance administrator is authorized to 3 disburse appropriated money of the study commission on the 4 study commission's order after approval of the budget by the governing body. Unexpended money of the study commission 5 6 does not revert to the general fund of the local government 7 at the end of the fiscal year but carries over to the study 8 commission's appropriation for the following fiscal year. 9 Upon termination of the study commission, unexpended money reverts to the general fund of the local government. 10 11 NEW SECTION. Section 17. Scope of study commission

12 recommendations. (1) A study commission elected to examine

13 the government of a county may:

14 (a) recommend amendments to the existing plan of 15 government;

16 (b) recommend any plan of government authorized by

17 Title 7, chapter 3, parts 1 through 6;

18 (c) draft a charter;

(d) recommend municipal-county consolidation or
 amendments to an existing consolidation;

21 (e) in cooperation with a study commission in an

22 adjoining county, recommend county merger; or

23 (f) submit no recommendation.

24 (2) A study commission elected to examine the
 25 government of a municipality may:

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1 (a) recommend amendments to the existing plan of 2 government; (b) recommend any plan of government authorized by 3 4 Title 7, chapter 3, parts 1 through 6; 5 (c) draft a charter; 6 (d) recommend municipal-county consolidation; (e) recommend disincorporation; or 7 (f) submit no recommendation. 8 9 NEW SECTION. Section 18. Study commission timetable. (1) Each local government study commission shall, within 90 10 11 days of its organizational meeting, establish a timetable 12 for its deliberations and actions. The timetable must be 13 published in a local newspaper of general circulation. The 14 timetable may be revised, but each revision must be republished. 15 16 (2) The timetable must provide, at a minimum, the 17 following provisions, to be accomplished chronologically in 18 the order presented: 19 (a) conduct one or more public hearings for the 20 purpose of gathering information regarding the current form, 21 functions, and problems of local government; 22 (b) formulate, reproduce, and distribute a tentative 23 report, containing the same categories of information 24 required to be included in the final report; 25 (c) conduct one or more public hearings on the

1 tentative report;

2 (d) adopt the final report of the commission and set
3 the date for a special election on the question of adopting
4 a new plan of government or, if the study commission is not
5 recommending any changes, publish and distribute the final
6 report as provided in [section 19] within 60 days after the
7 final report is adopted.

8 <u>NEH SECTIONs</u> Section 19. Final report. (1) Every 9 study commission shall adopt a final report. If the study 10 commission recommends an alternative form of government, the 11 final report shall contain the following materials and 12 documents, each signed by a majority of the study commission 13 members:

14 (a) those materials and documents required of a
15 petition proposing an alteration of an existing form of
16 government in 7-3-142;

17 (b) a certificate establishing the date of the special 18 election, which may be held in conjunction with a regularly 19 scheduled election, at which the alternative form of 20 government shall be presented to the electors and a 21 certificate establishing the form of the ballot question or 22 questions; and

(c) a certificate establishing the dates of the first
 primary and general elections for officers of a new
 government if the proposal is approved and establishing the

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1 effective date of the proposal if approved.

2 (2) The final report shall contain any minority report
3 signed by members of the commission who do not support the
4 majority proposal.

5 (3) If the study commission is not recommending any
6 changes, its final report shall so indicate.

7 (4) The study commission shall file one copy of the 8 final report with the department of administration. A copy 9 of the final report shall be certified by the study 10 commission to the municipal or county records administrator 11 within 30 days after the adoption of the final report.

(5) Sufficient copies of the final report are to be 12 13 prepared for public distribution. The final report must be available to the electors not later than 30 days prior to 14 15 the election on the issue of adopting the alternative plan. 16 Copies of the final report may be distributed to electors or residents of the local government or governments affected. 17 <u>NEW SECTION</u> Section 20. Special final 13 report requirements -- consolidation or county merger. (1) 19 Consolidation or merger may be placed on the ballot only by 20 a joint report by cooperative study commissions. 21

(2) A final report, in addition to the material
required in [section 19], must contain a consolidation plan
if county-municipal consolidation or county merger is
recommended. The consolidation plan must conform to the

1 provisions and requirements relating to petitions in: 2 (a) 7-3-143 whenever county-municipal consolidation is 3 recommended; or 4 (b) 7-3-144 whenever county merger is recommended. 5 NEW SECTION. Section 21. Special final report 6 requirements for disincorporation. If a study commission 7 proposes municipal disincorporation, the final report shall 8 contain the following additional material and documents: 9 (1) a certificate of disincorporation instead of a 10 plan of government; and 11 (2) a recommended plan of disincorporation. 12 NEW_SECTION. Section 22. Supplementary reports. A 13 study commission may prepare separate reports in addition to 14 its final report. These reports may recommend consolidation 15 of services and functions and indicate potential areas for 16 interlocal agreements. 17 NEW SECTION. Section 23. Publication of summary. Each 18 study commission shall publish once each week for 2 19 successive weeks in a newspaper of general circulation throughout the area of the affected local government a 20 summary of its findings and recommendations, together with 21

the address of a convenient public place where the text of its proposal may be obtained. The summary shall include a comparison of the existing and proposed plans of government.
NEW SECTION. Section 24. Election on recommendation.

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1 [1] An alternative plan of government recommended by a study 2 commission shall be submitted to the voters as provided in 3 7-3-149, except that the study commission shall authorize 4 the submission of the alternative plan of government to the 5 voters at a special election to be held within 120 days of 6 the adoption of the final report. The special election may 7 be held in conjunction with any regularly scheduled 8 election. Study commissions elected on the general election 9 date in 1984 shall submit a final report allowing for a vote 10 on any recommendation no later than the general election 11 date in 1986.

12 (2) General ballot requirements and treatment of 13 suboptions on an alternative plan of government recommended 14 by a study commission shall be the same as for 15 recommendations by petition as provided in 7-3-150 and 16 7-3-151.

17NEW_SECTIONsSection 25. Applicationofother18sections. (1) Except as provided in subsection (2), 7-3-12219and 7-3-152 through 7-3-161 apply to the adoption of an20alternative plan of government upon recommendation by a21study commission.

(2) (a) The chairman of the study commission and not
the chairman of the governing body shall certify documents
under 7-3-153.

25 (b) The study commission and not the governing body

1 shall prepare an advisory plan for orderly transition to a

2 new plan of local government under 7-3-157.

3 (c) A study commission plan may provide for existing

4 elected officers under 7-3-158(3).

5 Section 26. Section 7-3-143, MCA, is amended to read: 6 #7-3-143. Special requirements if consolidation 7 recommended. (1) Whenever county-municipal consolidation is 8 recommended, a petition, in addition to the material 9 required in 7-3-142, must contain a consolidation plan 10 which:

11 (a) provides for adjustment of existing bonded 12 indebtedness and other obligations in a manner which assures 13 a fair and equitable burden of taxation for debt service; 14 (b) provides for establishment of subordinate service 15 districts; 16 (c) provides for the transfer or other disposition of

17 property and other rights, claims, assets, and franchises of 18 the local governments consolidated under its proposal;

19 (d) provides the official name of the consolidated
20 local government; and

(e) (i) provides for the transfer, reorganization,
abolition, adjustment of boundaries, or absorption of all
existing boards, <u>bureaus</u>, <u>special districts</u>, subordinate
service districts, local improvement districts, agencies,
and political subdivisions of the consolidated governments,

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suboption is of no effect.
(2) A proposed plan shall be submitted to the voters
as a single question, except that the suboptions within the
alternative plan of local government authorized in Title 7,
chapter 3, parts 1 through 6, and the suboptions authorized
in a charter may be submitted to the electors as separate
questions. The question of adopting a suboption shall be
submitted to the electors in substantially the following
form:
Vote for one:
A legal officer (who may be called the "county
attorney"):
Shall be elected for a term of 4 years.
Shall be appointed for a term of 4 years by the

16 NEW SECIION. Section 28. Severability. If a part of 17 this act is invalid, all valid parts that are severable from 18 the invalid part remain in effect. If a part of this act is 19 invalid in one or more of its applications, the part remains 20 in effect in all valid applications that are severable from 21 the invalid applications.

chairman of the local governing body."

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excluding school districtsy-authoritiesy and nonconsolidated 1 2 municipalities; or

(ii) grants the legislative body of the consolidated 3 4 government the authority to transfer, reorganize, abolish, 5 adjust boundaries (and may provide a method for adjusting 6 boundaries), or absorb existing boards, bureaus, special 7 districts, subordinate service districts, local improvement districts, agencies, and political subdivisions of the 8 9 consolidated governments, excluding school districts, authorities, and nonconsolidated municipalities, with or 10 11 without referendum requirements.

12 (2) The consolidation plan may include other provisions that are consistent with state law. 13

14 (3) Whenever amendments to an existing consolidation 15 plan are recommended, a petition must contain a certificate 16 containing amendments to the consolidation plan."

Section 27. Section 7-3-151, MCA, is amended to read: 17 "7-3-151. Treatment of suboptions for alternative 18 19 forms. (1) No petition recommendation may involve more than three separate suboptions, and no suboption may contain more 20 than two alternatives. If a suboption is submitted to the 21 voters, only the ballot alternatives within that suboption 22 23 receiving the highest number of affirmative votes are 24 considered approved and included in the alternative form of 25 government. If the alternative form of government fails, a

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Approved by Comm. on Local Government

1	HOUSE BILL NO. 426	1	study commission shall be held:
2	INTRODUCED BY BERTELSEN, ECK	2	(a) whenever the governing body of the local
3		3	government unit calls for an election by resolution;
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT ARTICLE	4	(b) whenever a petition signed by at least 15% of the
5	XI, SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING	5	electors of the local government calling for an election is
6	FOR ELECTIONS ON THE QUESTION OF REVIEW OF LOCAL GOVERNMENT	6	submitted to the governing body; or
7	AND PROCEDURES FOR THE ESTABLISHMENT AND FUNCTIONING OF	7	(c) in 1984 and thereafter whenever 10 years have
6	LOCAL GOVERNMENT STUDY COMMISSIONS AND FOR THE	3	elapsed since the electors have voted on the question of
9	IMPLEMENTATION OF THEIR RECOMMENDATIONS; AMENDING SECTIONS	9	conducting a local government review and establishing a
10	7-3-143 AND 7-3-151, MCA."	10	study commission.
11		11	(2) The governing body shall call for an election, to
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	be held on the primary election date, on the question of
13	NEW_SECTION. Section 1. Purpose. The purpose of	13	conducting a local government review and establishing a
14	[sections 1 through 25] is to provide a mechanism for local	14	study commission:
15	government review as required by Article XI, section 9, of	15	(=) in 1984 to implement the provisions of Article XI,
16	the Montana constitution.	16	section 9(2), of the Montana constitution as provided in
17	NEN_SECTION. Section 2. Purpose of study commission.	17	section 2, Chapter 70, Laws of 1977;
18	The purpose of a study commission is to study the existing	13	(b) within 1 year after the 10-year period referred to
19	form and powers of a local government and procedures for	19	in subsection (1)(c).
20	delivery of local government services and compare them with	20	NEW_SECTION. Section 4. Election procedures. (1)
21	other forms available under the laws of the state.	21	Votes cast on the question of establishing a study
22	<u>NEW_SECTION</u> Section 3. Establishment of study	22	commission and for electing study commission members shall
23	commissions. (1) A study commission may be established by an	23	be counted, canvassed, and returned as provided in Title 13
24	affirmative vote of the people. An election on the question	24	for general elections.
25	of conducting a local government review and establishing a	25	(2) The election administrator shall report the

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SECOND READING

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results of all elections conducted under [sections 1 through
 25] to the secretary of state within 15 days of the date the
 results become official.

MEW_SECTION: Section 5. Election on question of
establishing study commission. (1) The question of
conducting a local government review and establishing a
study commission shall be submitted to the electors in
substantially the following form:

9 Vote for one:

10FOR the review of the government of (insert name of11local government) and the establishment of a local12government study commission consisting of (insert13number of members) members to examine the government14of (insert name of local government) and submit15recommendations thereon.

16 AGAINST the review of the government of (insert name 17 of local government) and the establishment of a 18 study commission.

19 (2) The question of conducting a local government
20 review and establishing a study commission requires an
21 affirmative vote of a majority of those voting on the
22 question for passage.

23 (3) Except for elections to be conducted pursuant to
24 [section 3(2)], a special election on the question of
25 reviewing a local government and establishing a study

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25

commission shall be held no sooner than 60 days and no later
 than 90 days after the passage of a resolution or the
 certification of a petition calling for an election on the
 question.

5 NEW_SECTION. Section 6. Election of commission 6 members. (1) If the question of reviewing the local 7 government and establishing a study commission is approved. 8 an election to fill the positions on the local government 9 study commission shall be held in conjunction with the 1984 general election date or at the first regularly scheduled 10 11 election of the local government conducted after 90 days following the election establishing the study commission. A 12 13 primary election may not be held.

14 (2) The names of study commission candidates who have 15 filed declarations of nomination <u>NOT_LATER_THAN_60_DAYS</u> 16 <u>BEEORE_THE_DATE_DE_THE_ELECTION</u> shall be placed on the 17 ballot. There is no filing fee. The election is nonpartisan, 18 and candidates shall be listed without party or other 19 designation or slogan. The secretary of state shall 20 prescribe the ballot form for study commissions.

(3) Candidates for study commission positions shall be
electors of the local government for which the study
commission has been established. The candidates may not be
elected officials of the local government.

(4) The number of candidates, equal to the number of

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study commission positions to be elected, receiving the
 highest number of votes shall be declared elected.

3 (5) If the number of study commissioners elected is 4 not equal to the number required to be selected, the 5 chairman of the governing body, with the confirmation of the 6 governing body, shall appoint the additional study 7 commissioners within 20 days of the election. No elected 8 official of the local government may be appointed.

9 NEW_SECTION. Section 7. Composition of study commission. (1) The number of positions, which must be an 10 odd number of not less than three, on the study commission 11 12 shall be set out in the resolution or petition calling for 13 the election on the question of reviewing the local 14 government or local governments and establishing a study 15 commission. If the election is called under the provisions 16 of [section 3(1)(c)], the study commission shall consist of three members unless the local governing body by resolution 17 18 declares that a larger number shall be elected.

19 (2) Every study commission shall include as an ex
20 officio nonvoting member a member of the governing body or
21 an elected official or employee of the local government
22 appointed by the governing body.

23 <u>YEW_SECIION</u> Section 8. Term of office. The term of 24 office of study commission members begins on the day their 25 election to the study commission is declared or certified

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under 13-15-405 or on the day of their appointment and ends
 on the day of the vote on the alternative plan. If the
 alternative plan is adopted, the term continues for 90 days
 after the day of the vote on the alternative plan.

5 <u>NEW_SECTION</u> Section 9. Vacancies. Vacancies on a 6 study commission shall be filled by appointment by the 7 governing body of the local government being studied by the 8 commission.

9 <u>NEW_SECTION</u> Section 10. Compensation. Members of the 10 study commission may receive no compensation other than for 11 actual and necessary expenses incurred in their official 12 capacity.

13 NEM_SECIION. Section 11. Organization of commission. 14 [1] Not later than 10 days after all members of the study 15 commission have been elected or appointed, the study 16 commission shall meet and organize at a time set by the 17 chairman of the governing body of the local government which 18 the study commission is to examine.

(2) At the first meeting of the study commission, the
 study commission may elect a temporary chairman, who will
 serve until a permanent chairman is selected.

32 <u>MEM_SECIION</u> Section 12. Cooperation of study
commissions. (1) Any two or more study commissions may
cooperate in the conduct of their studies. A majority vote
by each of the affected study commissions is required for a

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1 cooperative study.

2 (2) Cooperative studies do not preclude each study 3 commission from making a separate report and recommendation. 4 NEW_SECTION. Section 13. Conduct of business. (1) 5 Meetings of the study commission shall be held upon the call 6 of the chairman, vice-chairman in the absence or inability 7 of the chairman, or a majority of the members. The chairman 8 shall announce the time and place of the meetings of the 9 study commission.

(2) The study commission shall maintain a written
record of its proceedings and its finances. This record is
open to inspection by any person at the office of the study
commission during regular office hours.

(3) A majority of the members of the study commission
constitutes a quorum for the transaction of business, but no
recommendation of a study commission may have any legal
effect unless adopted by a majority of the whole number of
members of the study commission.

19 (4) The study commission may adopt rules for its own
 20 organization and procedure.

21 <u>XEM_SECTION</u> Section 14. Open meetings and public 22 involvement. All meetings of the study commission are open 23 to the public as provided in Title 2, chapter 3, part 2. The 24 study commission shall hold public hearings and community 25 forums and may use other suitable means to disseminate

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information, receive suggestions and comments, and stimulate
 public discussion of its purpose, progress, conclusions, and
 recommendations.

NEW_SECTION_ Section 15. Commission powers. (1) A 4 5 study commission may employ and fix the compensation and duties of necessary staff. State, municipal, and county 6 7 officers and employees, at the request of the study 8 commission and with the consent of the employing agency, may 9 be granted leave with or without pay from their agency to 10 serve as consultants to the study commission. If leave with 11 pay is granted, they may receive no other compensation from 12 the study commission except mileage and per diem.

13 (2) A study commission may contract and cooperate with other agencies, public or private, as it considers necessary 14 for assistance in carrying out the purposes for which the 15 commission was established. Upon request of the chairman of 16 17 the study commission, state agencies, counties, and other local governments and the officers and employees thereof 18 19 shall furnish or make available to the commission such 20 information as may be necessary for carrying out the 21 commission's function.

22 (3) A study commission may:

(a) establish advisory boards and committees,
including on them persons who are not members of the study
commission;

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1 (b) retain consultants; and

2 (c) do any other act consistent with and reasonably
3 required to perform its function.

MEM_SECTION. Section 16. Financial administration.
(1) A study commission shall prepare a budget for each
fiscal year it is in existence and submit it to the local
governing body for approval.

8 (2) (a) For the support of the study commission, for 9 each fiscal year the study commission is in existence, each 10 local government under study shall appropriate the 11 equivalent of at least 1 mill and the local government may 12 levy up to 1 mill in excess of all other mill levies 13 authorized by law to fund the appropriation for the support 14 of the study commission.

15 (b) The local government shall provide office and 16 meeting space and clerical assistance to the study 17 commission. The cost of clerical assistance and other 18 in-kind services provided by the local government may be 19 used to partially fulfill the appropriation requirement of 20 subsection (2)(a).

(c) The local government may in its discretion provide
 additional funds and other assistance.

23 (3) The study commission may apply for and accept
 24 available private, state, and federal money and may accept
 25 donations from any source.

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1 (4) All money received by the study commission shall 2 be deposited with the local government finance 3 administrator. The finance administrator is authorized to disburse appropriated money of the study commission on the 4 5 study commission's order after approval of the budget by the 6 governing body. Unexpended money of the study commission 7 does not revert to the general fund of the local government at the end of the fiscal year but carries over to the study 8 9 commission's appropriation for the following fiscal year. Upon termination of the study commission, unexpended money 10 11 reverts to the general fund of the local government. 12 NEW_SECTION. Section 17. Scope of study commission 13 recommendations. (1) A study commission elected to examine 14 the government of a county may: 15 (a) recommend amendments to the existing plan of 16 government: 17 (b) recommend any plan of government authorized by 18 Title 7, chapter 3, parts 1 through 6: 19 (c) draft a charter: 20 (d) recommend municipal-county consolidation or 21 amendments to an existing consolidation: 22 (e) in cooperation with a study commission in an 23 adjoining county, recommend county merger; or 24 (f) submit no recommendation. 25 (2) A study commission elected to examine the

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the

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1 government of a municipality may: 1 (c) conduct one or more public hearings on 2 (a) recommend amendments to the existing plan of 2 tentative report; З (d) adopt the final report of the commission and set government; 3 4 (b) recommend any plan of government authorized by the date for a special election on the question of adopting 4 5 Title 7, chapter 3, parts 1 through 6; a new plan of government or, if the study commission is not 5 6 (c) draft a charter: 6 recommending any changes, publish and distribute the final 7 (d) recommend municipal-county consolidation; 7 report as provided in [section 19] within 60 days after the 3 final report is adopted. 8 (e) recommend disincorporation; or 9 <u>NEW_SECTION</u> Section 19. Final report. (1) 9 (f) submit no recommendation. study commission shall adopt a final report. If the study 10 NEW_SECTION. Section 18. Study commission timetable. 10 11 commission recommends an alternative form of government, the 11 (1) Each local government study commission shall; within 90 final report shall contain the following materials and 12 days of its organizational meeting, establish a timetable 12 documents, each signed by a majority of the study commission 13 13 for its deliberations and actions. The timetable must be 14 published in a local newspaper of general circulation. The 14 members: 15 timetable may be revised, but each revision must be (a) those materials and documents required of a 15 republ i shed. petition proposing an alteration of an existing form of 16 16 17 (2) The timetable must provide, at a minimum, the 17 government in 7-3-142; 18 following provisions, to be accomplished chronologically in (b) a certificate establishing the date of the special 18 19 the order presented: 19 election. which may be held in conjunction with a regularly 20 (a) conduct one or more public hearings for the 20 scheduled election, at which the alternative form of 21 purpose of gathering information regarding the current form, 21 government shall be presented to the electors and a 22 functions, and problems of local government; 22 certificate establishing the form of the ballot question or 23 (b) formulate, reproduce, and distribute a tentative 23 ouestions; and 24 report, containing the same categories of information (c) a certificate establishing the dates of the first 24 25 required to be included in the final report: 25 primary and general elections for officers of a new -11-HB 426 -12-

majority proposal. (3) If the study commission is not recommending any 6 changes, its final report shall so indicate. (4) The study commission shall file one copy of the final report with the department of administration. A copy of the final report shall be certified by the study commission to the municipal or county records administrator within 30 days after the adoption of the final report. (5) Sufficient copies of the final report are to be prepared for public distribution. The final report must be available to the electors not later than 30 days prior to 16 the election on the issue of adopting the alternative plan. Copies of the final report may be distributed to electors or 17 residents of the local government or governments affected. NEW_SECTION. Section 20. Special final report requirements -- consolidation or county merger. (1) Consolidation or merger may be placed on the ballot only by a joint report by cooperative study commissions. (2) A final report, in addition to the material required in [section 19], must contain a consolidation plan if county-municipal consolidation or county merger is

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signed by members of the commission who do not support the

(2) The final report shall contain any minority report

effective date of the proposal if approved.

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1 recommended. The consolidation plan must conform to the provisions and requirements relating to petitions in: 2 3 (a) 7-3-143 whenever county-municipal consolidation is 4 recommended: or 5 (b) 7-3-144 whenever county merger is recommended. 6 NEW_SECTION. Section 21. Special final report 7 requirements for disincorporation. If a study commission proposes municipal disincorporation, the final report shall 8 9 contain the following additional material and documents: 10 (1) a certificate of disincorporation instead of a 11 plan of government; and 12 (2) a recommended plan of disincorporation. 13 NEW_SECIION. Section 22. Supplementary reports. A study commission may prepare separate reports in addition to 14 15 its final report. These reports may recommend consolidation of services and functions and indicate potential areas for 16 17 interlocal agreements. 18 <u>XEW_SECTION</u>. Section 23. Publication of summary. Each 19 study commission shall publish once each week for 2 successive weeks in a newspaper of general circulation 20 21 throughout the area of the affected local government a summary of its findings and recommendations, together with 22 23 the address of a convenient public place where the text of 24 its proposal may be obtained. The summary shall include a 25 comparison of the existing and proposed plans of government.

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1 YEW_SECTION. Section 24. Election on recommendation. 2 (1) An alternative plan of government recommended by a study 3 commission shall be submitted to the voters as provided in 4 7-3-149, except that the study commission shall authorize 5 the submission of the alternative plan of government to the 6 voters at a special election to be held within 120 days of 7 the adoption of the final report. The special election may 8 be held in conjunction with any regularly scheduled 9 election. Study commissions elected on the general election 10 date in 1984 shall submit a final report allowing for a vote 11 on any recommendation no later than the general election 12 date in 1986.

13 (2) General ballot requirements and treatment of
14 suboptions on an alternative plan of government recommended
15 by a study commission shall be the same as for
16 recommendations by petition as provided in 7-3-150 and
17 7-3-151.

18. <u>NEW_SECTION</u> Section 25. Application of other 19 sections. (1) Except as provided in subsection (2), 7-3-122 20 and 7-3-152 through 7-3-161 apply to the adoption of an 21 alternative plan of government upon recommendation by a 22 study commission.

(2) (a) The chairman of the study commission and not
the chairman of the governing body shall certify documents
under 7-3-153.

1 (b) The study commission and not the governing body 2 shall prepare an advisory plan for orderly transition to a 3 new plan of local government under 7~3~157.

4 (c) A study commission plan may provide for existing 5 elected officers under 7-3-158(3).

Section 26. Section 7-3-143, MCA, is amended to read:
7 *7-3-143. Special requirements if consolidation
8 recommended. (1) Whenever county-municipal consolidation is
9 recommended, a petition, in addition to the material
10 required in 7-3-142, must contain a consolidation plan
11 which:

12 (a) provides for adjustment of existing bonded
13 indebtedness and other obligations in a manner which assures
14 a fair and equitable burden of taxation for debt service;

(b) provides for establishment of subordinate service
 districts;

17 (c) provides for the transfer or other disposition of
18 property and other rights, claims, assets, and franchises of
19 the local governments consolidated under its proposal;

20 (d) provides the official name of the consolidated21 local government; and

(e) (i) provides for the transfer, reorganization,
abolition, adjustment of boundaries, or absorption of all
existing boards, <u>bureause special districtse</u> subordinate
service districts, local improvement districts, agencies,

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and political subdivisions of the consolidated governments,
 excluding school districtsy-authoritiesy and nonconsolidated
 municipalities; or

4 (ii) grants the legislative body of the consolidated 5 government the authority to transfer, reorganize, abolish, 6 adjust boundaries (and may provide a method for adjusting 7 houndaries1, or absorb existing boards, burgaus, special 8 districts, subordinate service districts, local improvement 9 districts, agencies, and political subdivisions of the 10 consolidated governments, excluding school districts, sutherities, and nonconsolidated municipalities, with or 11 12 without referendum requirements.

13 (2) The consolidation plan may include other
14 provisions that are consistent with state law.

(3) Whenever amendments to an existing consolidation
plan are recommended, a petition must contain a certificate
containing amendments to the consolidation plan."

18 Section 27. Section 7-3-151, MCA, is amended to read: 19 "7-3-151. Treatment of suboptions for alternative forms. (1) No petition recommendation may involve more than 20 21 three separate suboptions, and no suboption may contain more 22 than two alternatives. If a suboption is submitted to the voters, only the ballot alternatives within that suboption 23 receiving the highest number of affirmative votes are 24 25 considered approved and included in the alternative form of

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1	government. If the alternative form of government failss a
2	suboption_is_of_no_effect.
3	(2) A proposed plan shall be submitted to the voters
4	as a single question, except that the suboptions within the
5	alternative plan of local government authorized in Title 7,
6	chapter 3, parts 1 through 6, and the suboptions authorized
7	in a charter may be submitted to the electors as separate
8	questions. The question of adopting a suboption shall be
9	submitted to the electors in substantially the following
10	form:
11	Vote for one:
12	A legal officer (who may be called the "county
13	attorney"):
14	Shall be elected for a term of 4 years.
15	Shall be appointed for a term of 4 years by the
15	chairman of the local governing body."
17	NEW_SECTION. Section 28. Severability. If a part of
13	this act is invalid, all valid parts that are severable from
19	the invalid part remain in effect. If a part of this act is
20	invalid in one or more of its applications, the part remains
21	in effect in all valid applications that are severable from
22	the invalid applications.

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1 study commission shall be held: 1 HOUSE BILL NO. 426 2 (a) whenever the governing body of the local 2 INTRODUCED BY BERTELSEN, ECK government unit calls for an election by resolution; 3 3 4 (b) whenever a petition signed by at least 15% of the 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT ARTICLE 5 electors of the local government calling for an election is 5 XI, SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING 6 submitted to the governing body; or FOR ELECTIONS ON THE QUESTION OF REVIEW OF LOCAL GOVERNMENT 6 7 (c) in 1984 and thereafter whenever 10 years have 7 AND PROCEDURES FOR THE ESTABLISHMENT AND FUNCTIONING OF 8 elapsed since the electors have voted on the question of 8 LOCAL GOVERNMENT STUDY CONMISSIONS AND FOR THE 9 conducting a local government review and establishing a 9 IMPLEMENTATION OF THEIR RECOMMENDATIONS; AMENDING SECTIONS 10 study commission. 10 7-3-143 AND 7-3-151, MCA." . 11 (2) The governing body shall call for an election. to 11 12 be held on the primary election date, on the question of 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: conducting a local government review and establishing a 13 13 NEW_SECTION. Section 1. Purpose. The purpose of 14 study commission: 14 [sections 1 through 25] is to provide a mechanism for local 15 (a) in 1984 to implement the provisions of Article XI, 15 government review as required by Article XI, section 9, of section 9(2), of the Montana constitution as provided in 16 16 the Montana constitution. 17 NEW_SECTION. Section 2. Purpose of study commission. 17 section 2, Chapter 70, Laws of 1977: 18 (b) within 1 year after the 10-year period referred to 18 The purpose of a study commission is to study the existing 19 19 form and powers of a local government and procedures for in subsection (1)(c). 20 NEW_SECIION. Section 4. Election procedures. 20 delivery of local government services and compare them with (1) 21 other forms available under the laws of the state. 21 Votes cast on the question of establishing a study 22 <u>NEW_SECTION</u> Section 3. Establishment 22 commission and for electing study commission members shall of study 23 23 commissions. (1) A study commission may be established by an be counted, canvassed, and returned as provided in Title 13 24 for general elections. affirmative vote of the people. An election on the question 24 25 (2) The election administrator shall report 25 of conducting a local government review and establishing a the

> -2-THIRD READING 410 426

results of all elections conducted under [sections 1 through
 25] to the secretary of state within 15 days of the date the
 results become official.

4 <u>NEW_SECTIONs</u> Section 5. Election on question of 5 establishing study commission. (1) The question of 6 conducting a local government review and establishing a 7 study commission shall be submitted to the electors in 8 substantially the following form:

9 Vote for one:

10 FOR the review of the government of (insert name of 11 local government) and the establishment of a local 12 government study commission consisting of (insert 13 number of members) members to examine the government 14 of (insert name of local government) and submit 15 recommendations thereone

16 AGAINST the review of the government of (insert name 17 of local government) and the establishment of a 18 study commission.

19 (2) The question of conducting a local government
20 review and establishing a study commission requires an
21 affirmative vote of a majority of those voting on the
22 guestion for passage.

23 (3) Except for elections to be conducted pursuant to
24 [Section 3(2)], a special election on the question of
25 reviewing a local government and establishing a study

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1 commission shall be held no sooner than 60 days and no later
2 than 90 days after the passage of a resolution or the
3 certification of a petition calling for an election on the
4 question.

NEW SECTION. Section 6. Election of commission 5 6 members. (1) If the guestion of reviewing the local government and establishing a study commission is approved. 7 8 an election to fill the positions on the local government 9 study commission shall be held in conjunction with the 1984 general election date or at the first regularly scheduled 10 11 election of the local government conducted after 90 days 12 following the election establishing the study commission. A 13 primary election may not be held.

14 (2) The names of study commission candidates who have 15 filed declarations of nomination <u>NOT_LATER_THAN_60_DAYS</u> 16 <u>BEFORE_THE_DATE_DE_THE_ELECTION</u> shall be placed on the 17 ballot. There is no filing fee. The election is nonpartisan, 18 and candidates shall be listed without party or other 19 designation or slogan. The secretary of state shall 20 prescribe the ballot form for study commissions.

(3) Candidates for study commission positions shall be
 electors of the local government for which the study
 commission has been established. The candidates may not be
 elected officials of the local government.

(4) The number of candidates, equal to the number of

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capacity.

1 study commission positions to be electedy receiving the 2 highest number of votes shall be declared elected. Э (5) If the number of study countissioners elected is not equal to the number required to be selected, the 4 chairman of the governing body, with the confirmation of the 5 governing body, shall appoint the additional study 6 7 commissioners within 20 days of the election. No elected official of the local government may be appointed. 8 9 NEW_SECTION. Section 7. Composition of study

10 commission. (1) The number of positions, which must be an 11 odd number of not less than three, on the study commission 12 shall be set out in the resolution or petition calling for the election on the question of reviewing the local 13 government or local governments and establishing a study 14 15 commission. If the election is called under the provisions 16 of [section 3(1)(c)], the study commission shall consist of 17 three members unless the local governing body by resolution 18 declares that a larger number shall be elected.

19 (2) Every study commission shall include as an ex
20 officio nonvoting member a member of the governing body or
21 an elected official or employee of the local government
22 appointed by the governing body.

23 <u>NEW SECTION</u>. Section 8. Term of office. The term of 24 office of study commission members begins on the day their 25 election to the study commission is declared or certified

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1 under 13-15-405 or on the day of their appointment and ends 2 on the day of the vote on the alternative plan. If the 3 alternative plan is adopted, the term continues for 90 days 4 after the day of the vote on the alternative plan. 5 NEW_SECTION. Section 9. Vacancies. Vacancies on a study commission shall be filled by appointment by the 6 7 governing body of the local government being studied by the 8 commission. 9 NEW_SECTION. Section 10. Compensation. Members of the 10 study commission may receive no compensation other than for actual and necessary expenses incurred in their official 11

13 NEW_SECTION. Section 11. Organization of commission. 14 (1) Not later than 10 days after all members of the study 15 commission have been elected or appointed, the study 16 commission shall meet and organize at a time set by the 17 chairman of the governing body of the local government which 18 the study commission is to examine.

19 (2) At the first meeting of the study commission, the
20 study commission may elect a temporary chairman, who will
21 serve until a permanent chairman is selected.

<u>NEW_SECTION</u> Section 12. Cooperation of study
commissions. [1] Any two or more study commissions may
cooperate in the conduct of their studies. A majority vote
by each of the affected study commissions is required for a

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1 cooperative study.

2 (2) Cooperative studies do not preclude each study 3 commission from making a separate report and recommendation. 4 NEW_SECTION. Section 13. Conduct of business. (1) 5 Meetings of the study commission shall be held upon the call 6 of the chairman, vice-chairman in the absence or inability 7 of the chairman, or a majority of the members. The chairman 8 shall announce the time and place of the meetings of the 9 study commission.

(2) The study commission shall maintain a written
 record of its proceedings and its finances. This record is
 open to inspection by any person at the office of the study
 commission during regular office hours.

14 (3) A majority of the members of the study commission 15 constitutes a quorum for the transaction of business, but no 16 recommendation of a study commission may have any legal 17 effect unless adopted by a majority of the whole number of 18 members of the study commission.

(4) The study commission may adopt rules for its own
 organization and procedure.

21 <u>NEW SECTION</u>. Section 14. Open meetings and public 22 involvement. All meetings of the study commission are open 23 to the public as provided in Title 2, chapter 3: part 2. The 24 study commission shall hold public hearings and community 25 forums and may use other suitable means to disseminate

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13 (2) A study commission may contract and cooperate with 14 other agencies, public or private, as it considers necessary 15 for assistance in carrying out the purposes for which the 16 commission was established. Upon request of the chairman of 17 the study commission, state agencies, counties, and other 18 local governments and the officers and employees thereof 19 shall furnish or make available to the complexion such 20 information as may be necessary for carrying out the commission's function. 21

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(a) establish advisory boards and committees,
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3 required to perform its function.

4 <u>NEW SECTION</u> Section 16. Financial administration. 5 (1) A study commission shall prepare a budget for each 6 fiscal year it is in existence and submit it to the local 7 governing body for approval.

8 (2) (a) For the support of the study commission, for 9 each fiscal year the study commission is in existence, each 10 local government under study shall appropriate the 11 equivalent of at least 1 mill and the local government may 12 levy up to 1 mill in excess of all other mill levies 13 authorized by law to fund the appropriation for the support 14 of the study commission.

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1	(4) All money received by the study commission shall
2	be deposited with the local government finance
3	administrator. The finance administrator is authorized to
4	disburse appropriated money of the study commission on the
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6	governing body. Unexpended money of the study commission
7	does not revert to the general fund of the local government
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15	(a) recommend amendments to the existing plan of
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17	(b) recommend any plan of government authorized by
18	Title 7, chapter 3, parts 1 through 6;
19	(c) draft a charter;
20	(d) recommend municipal-county consolidation or
21	amendments to an existing consolidation;
22	(e) in cooperation with a study commission in an
23	adjoining county, recommend county merger; or
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1	government of a municipality may:	1	(c) conduct one or more public hearings on the
2	(a) recommend amendments to the existing plan of	2	tantative report;
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(b) The study commission and not the governing body 1 . shall prepare an advisory plan for orderly transition to a new plan of local government under 7-3-157.

(c) A study commission plan may provide for existing 4 elected officers under 7-3-158(3). 5

6 Section 26. Section 7-3-143, MCA, is amended to read: requirements if consolidation 7 *7-3-143. Special 8 recommended. (1) Whenever county-municipal consolidation is 9 recommended, a petition, in addition to the material 10 required in 7-3-142, must contain a consolidation plan 11 which:

12 (a) provides for adjustment of existing bonded 13 indebtedness and other obligations in a manner which assures a fair and equitable burden of taxation for debt service; 14

(b) provides for establishment of subordinate service 15 districts: 16

17 (c) provides for the transfer or other disposition of property and other rights, claims, assets, and franchises of 18 the local governments consolidated under its proposal; 19

20 (d) provides the official name of the consolidated 21 local government: and

22 (e) (i) provides for the transfer, reorganization, 23 abolition, adjustment of boundaries, or absorption of all existing boards, burgaus, special districts, subordinate 24 service districts, local improvement districts, agencies, 25

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1	and political subdivisions of the consolidated governments,	1	government. If the alternative form of government fails. a
2	excluding school districts y-authoritiesy and nonconsolidated	2	suboption_is_of_no_sffect.
3	municipalities; or	3	(2) A proposed plan shall be submitted to the voters
4	(ii) grants the legislative body of the consolidated	4	as a single question, except that the suboptions within the
5	government the authority to transfer, reorganize, abolish,	5	alternative plan of local government authorized in Title 7,
6	adjust boundaries <u>(and may provide a method for adjusting</u>	6	chapter 3, parts 1 through 6, and the suboptions authorized
7	<u>boundaries)</u> , or absorb existing boards, <u>burgaus, special</u>	7	in a charter may be submitted to the electors as separate
8	districts, subordinate service districts, local improvement	8	questions. The question of adopting a suboption shall be
9	districts, agencies, and political subdivisions of the	9	submitted to the electors in substantially the following
10	consolidated governments, excluding school districts,	10	form:
11	authoritiesy and nonconsolidated municipalities, with or	11	Vote for one:
12	without referendum requirements.	12	A legal officer (who may be called the "county"
13	(2) The consolidation plan may include other	13	attorney"):
14	provisions that are consistent with state law.	14	Chall be closed for a form of 6 more
15	(3) Whenever amendments to an existing consolidation	14	Shall be elected for a term of 4 years.
16	plan are recommended, a petition must contain a certificate	15	Shall be appointed for a ter∎ of 4 years by the
17	containing amendments to the consolidation plan."	16	chairman of the local governing body."
18	Section 27. Section 7-3-151, MCA, is amended to read:	17	<u>NEW SECTION</u> . Section 28. Severability. If a part of
19	"7-3-151. Treatment of suboptions for alternative	is	this act is invalid, all valid parts that are severable from
20	forms. (1) No petition recommendation may involve more than	19	the invalid part remain in effect. If a part of this act is
21	three separate suboptions, and no suboption may contain more	20	invalid in one or more of its applications, the part remains
22	than two alternatives. If a suboption is submitted to the	21	in effect in all valid applications that are severable from
23	voters, only the ballot alternatives within that suboption	22	the invalid applications.
24	receiving the highest number of affirmative votes are		-End-
25	considered approved and included in the alternative form of		

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1 study commission shall be held: 1 HOUSE BILL NO. 426 Z INTRODUCED BY BERTELSEN, ECK 2 (a) whenever the governing body of the local 3 3 government unit calls for an election by resolution; A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT ARTICLE 4 4 (b) whenever a petition signed by at least 15% of the XI, SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING 5 5 electors of the local government calling for an election is FOR ELECTIONS ON THE QUESTION OF REVIEW OF LOCAL GOVERNMENT submitted to the governing body; or 6 6 AND PROCEDURES FOR THE ESTABLISHMENT AND FUNCTIONING OF 7 7 (c) in 1984 and thereafter whenever 10 years have FOR THE LOCAL GOVERNMENT STUDY COMMISSIONS AND elapsed since the electors have voted on the guestion of в 8 IMPLEMENTATION OF THEIR RECOMMENDATIONS; AMENDING SECTIONS 9 9 conducting a local government review and establishing a 10 7-3-143 AND 7-3-151. MCA.* 10 study commission. 11 11 (2) The governing body shall call for an election, to BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 12 be held on the primary election date, on the question of 13 <u>YEW_SECTION</u> Section 1. Purpose. The purpose of conducting a local government review and establishing a 13 [sections 1 through 25] is to provide a mechanism for local 14 14 study commission: apvernment review as required by Article XI, section 9, of 15 (a) in 1984 to implement the provisions of Article XI, 15 the Montana constitution. 16 16 section 9(2), of the Montana constitution as provided in 17 NEW_SECTION. Section 2. Purpose of study commission. 17 section 2, Chapter 70, Laws of 1977; The purpose of a study commission is to study the existing 16 18 (b) within 1 year after the 10-year period referred to form and powers of a local government and procedures for 19 in subsection (1)(c). 19 delivery of local government services and compare them with 20 NEW_SECTION. Section 4. Election procedures. (1)20 21 other forms available under the laws of the state. 21 cast on the question of establishing a study Votes 22 <u>**MEN_SECTION**</u> Section 3. Establishment of study 22 commission and for electing study commission members shall commissions. (1) A study commission may be established by an 23 23 be counted, canyassed, and returned as provided in Title 13 affirmative vote of the people. An election on the question 24 24 for general elections. of conducting a local government review and establishing a 25 25 (2) The election administrator shall report the

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results of all elections conducted under [sections 1 through
 25] to the secretary of state within 15 days of the date the
 results become official.

<u>NEW_SECTION</u>. Section 5. Election on question of
establishing study commission. (1) The question of
conducting a local government review and establishing a
study commission shall be submitted to the electors in
substantially the following form:

9 Vote for one:

10 FOR the review of the government of (insert name of 11 local government) and the establishment of a local 12 government study commission consisting of (insert 13 number of members) members to examine the government 14 of (insert name of local government) and submit 15 recommendations thereon.

AGAINST the review of the government of (insert name
 of local government) and the establishment of a
 study commission.

19 (2) The question of conducting a local government 20 review and establishing a study commission requires an 21 affirmative vote of a majority of those voting on the 22 question for passage.

23 (3) Except for elections to be conducted pursuant to 24 [section 3(2)], a special election on the question of 25 reviewing a local government and establishing a study

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25

commission shall be held no sooner than 60 days and no later
 than 90 days after the passage of a resolution or the
 certification of a petition calling for an election on the
 question.

5 NEW_SECIION. Section 6. Election commission of members. (1) If the question of reviewing the local б 7 government and establishing a study commission is approved, 8 an election to fill the positions on the local government 9 study commission shall be held in conjunction with the 1984 10 general election date or at the first regularly scheduled 11 election of the local government conducted after 90 days 12 following the election establishing the study commission. A 13 primary election may not be held.

14 (2) The names of study commission candidates who have 15 filed declarations of nomination <u>MOT_LATER_THAN_60_DAYS</u> 16 <u>BEFORE_THE_DATE_DE_THE_ELECITION</u> shall be placed on the 17 ballot. There is no filing fee. The election is nonpartisan, 18 and candidates shall be listed without party or other 19 designation or slogan. The secretary of state shall 20 prescribe the ballot form for study commissions.

(3) Candidates for study commission positions shall be
electors of the local government for which the study
commission has been established. The candidates may not be
elected officials of the local government.

(4) The number of candidates, equal to the number of

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study commission positions to be elected, receiving the
 highest number of votes shall be declared elected.

3 (5) If the number of study commissioners elected is 4 not equal to the number required to be selected, the 5 chairman of the governing body, with the confirmation of the 6 governing body, shall appoint the additional study 7 commissioners within 20 days of the election. No elected 8 official of the local government may be appointed.

9 NEW_SECIION. Section 7. Composition of study commission. (1) The number of positions, which must be an 10 odd number of not less than three, on the study commission 11 12 shall be set out in the resolution or petition calling for the election on the guestion of reviewing the local 13 government or local governments and establishing a study 14 commission. If the election is called under the provisions 15 of [section 3(1)(c)], the study commission shall consist of 16 17 three members unless the local governing body by resolution declares that a larger number shall be elected. 18

19 (2) Every study commission shall include as an ex
20 officio nonvoting member a member of the governing body or
21 an elected official or employee of the local government
22 appointed by the governing body.

23 <u>NEW_SECTION</u> Section 8. Term of office. The term of 24 office of study commission members begins on the day their 25 election to the study commission is declared or certified under 13-15-405 or on the day of their appointment and ends
 on the day of the vote on the alternative plan. If the
 alternative plan is adopted, the term continues for 90 days
 after the day of the vote on the alternative plan.
 <u>NEW_SECTION</u> Section 9. Vacancies. Vacancies on a
 study commission shall be filled by appointment by the

7 governing body of the local government being studied by the 8 commission.

9 <u>NEW SECTION</u> Section 10. Compensation. Members of the 10 study commission may receive no compensation other than for 11 actual and necessary expenses incurred in their official 12 capacity.

13 <u>NEW_SECTION</u> Section 11. Organization of commission. 14 (1) Not later than 10 days after all members of the study 15 commission have been elected or appointed, the study 16 commission shall meet and organize at a time set by the 17 chairman of the governing body of the local government which 18 the study commission is to examine.

(2) At the first meeting of the study commission, the
 study commission may elect a temporary chairman, who will
 serve until a permanent chairman is selected.

22 <u>MEM_SECTIONs</u> Section 12. Cooperation of study 23 commissions. (1) Any two or more study commissions may 24 cooperate in the conduct of their studies. A majority vote 25 by each of the affected study commissions is required for a

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2 (2) Cooperative studies do not preclude each study 3 commission from making a separate report and recommendation. 4 NEH_SECTION: Section 13. Conduct of business. (1) 5 Heetings of the study commission shall be held upon the call 6 of the chairman, vice-chairman in the absence or inability 7 of the chairmany or a majority of the members. The chairman 8 shall announce the time and place of the meetings of the 9 study commission.

10 (2) The study commission shall maintain a written
11 record of its proceedings and its finances. This record is
12 open to inspection by any person at the office of the study
13 commission during regular office hours.

14 (3) A majority of the members of the study commission 15 constitutes a quorum for the transaction of business, but no 16 recommendation of a study commission may have any legal 17 effect unless adopted by a majority of the whole number of 18 members of the study commission.

19 (4) The study commission may adopt rules for its own
 20 organization and procedure.

21 <u>NEW_SECTION</u>. Section 14. Open meetings and public 22 involvement. All meetings of the study commission are open 23 to the public as provided in Title 2, chapter 3, part 2. The 24. study commission shall hold public hearings and community 25th forums and may use to ther suitable means to disseminate

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information, receive suggestions and comments, and stimulate
 public discussion of its purpose, progress, conclusions, and
 recommendations.

4 NEW_SECTION. Section 15. Commission powers. (1) A 5 study commission may employ and fix the compensation and duties of necessary staff. State, municipal, and county 6 7 officers and employees, at the request of the study 8 commission and with the consent of the employing agency, may 9 be granted leave with or without pay from their agency to 10 serve as consultants to the study commission. If leave with 11 pay is granted, they may receive no other compensation from 12 the study commission except mileage and per diem.

13 (2) A study commission may contract and cooperate with 14 other agencies, public or private, as it considers necessary 15 for assistance in carrying out the purposes for which the 16 commission was established. Upon request of the chairman of 17 the study commission, state agencies, counties, and other local governments and the officers and employees thereof 18 19 shall furnish or make available to the commission such information as may be necessary for carrying out the 20 21 commission's function.

22 (3) A study commission may:

(a) establish advisory boards and committees,
including on them persons who are not members of the study
commission;

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1 (b) retain consultants; and

2 (c) do any other act consistent with and reasonably
3 required to perform its function.

NEW_SECTION. Section 16. Financial administration.
(1) A study commission shall prepare a budget for each
fiscal year it is in existence and submit it to the local
governing body for approval.

8 (2) (a) For the support of the study commission, for 9 each fiscal year the study commission is in existence, each 10 local government under study shall appropriate the 11 equivalent of at least 1 mill and the local government may 12 levy up to 1 mill in excess of all other mill levies 13 authorized by law to fund the appropriation for the support 14 of the study commission.

15 (b) The local government shall provide office and 16 meeting space and clerical assistance to the study 17 commission. The cost of clerical assistance and other 18 in-kind services provided by the local government may be 19 used to partially fulfill the appropriation requirement of 20 subsection (2)(a).

(c) The local government may in its discretion provide
 additional funds and other assistance.

23 (3) The study commission may apply for and accept
24 available private, state, and federal money and may accept
25 donations from any source.

1 (4) All money received by the study commission shall 2 be deposited with the local government finance 3 administrator. The finance administrator is authorized to 4 disburse appropriated money of the study commission on the 5 study commission's order after approval of the budget by the governing body. Unexpended money of the study commission 6 7 does not revert to the general fund of the local government 8 at the end of the fiscal year but carries over to the study 9 commission's appropriation for the following fiscal year. 10 Upon termination of the study commission, unexpended money 11 reverts to the general fund of the local government. NEW_SECIION. Section 17. Scope of study commission 12 13 recommendations. (1) A study commission elected to examine 14 the government of a county may: 15 (a) recommend amendments to the existing plan of 16 government; 17 (b) recommend any plan of government authorized by 18 Title 7, chapter 3, parts 1 through 6; 19 (c) draft a charter; 20 (d) recommend municipal-county consolidation or 21 amendments to an existing consolidation; 22 (e) in cooperation with a study commission in an 23 adjoining county, recommend county merger; or 24 (f) submit no recommendation.

25 (2) A study commission elected to examine the

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2

1 government of a municipality may:

2 (a) recommend amendments to the existing plan of
 3 government;

4 (b) recommend any plan of government authorized by
5 Title 7, chapter 3, parts 1 through 6;

6 (c) draft a charter;

7 (d) recommend municipal-county consolidation;

8 (e) recommend disincorporation; or

9 (f) submit no recommendation.

10 <u>NEW_SECTION</u>. Section 18. Study commission timetable. 11 (1) Each local government study commission shall, within 90 12 days of its organizational meeting, establish a timetable 13 for its deliberations and actions. The timetable must be 14 published in a local newspaper of general circulation. The 15 timetable may be revised, but each revision must be 16 republished.

17 (2) The timetable must provide, at a minimum, the
18 following provisions, to be accomplished chronologically in
19 the order presented:

(a) conduct one or more public hearings for the
 purpose of gathering information regarding the current form,
 functions, and problems of local government;

(b) formulate, reproduce, and distribute a tentative
report, containing the same categories of information
required to be included in the final report;

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(c) conduct one or more public hearings on the tentative report;

3 (d) adopt the final report of the commission and set 4 the date for a special election on the question of adopting 5 a new plan of government or, if the study commission is not 6 recommending any changes, publish and distribute the final 7 report as provided in [section 19] within 60 days after the 8 final report is adopted.

9 <u>NEW_SECTION</u> Section 19. Final report. (1) Every 10 study commission shall adopt a final report. If the study 11 commission recommends an alternative form of government, the 12 final report shall contain the following materials and 13 documents, each signed by a majority of the study commission 14 members:

15 (a) those materials and documents required of a
 16 petition proposing an alteration of an existing form of
 17 government in 7-3-142;

18 (b) a certificate establishing the date of the special 19 election, which may be held in conjunction with a regularly 20 scheduled election, at which the alternative form of 21 government shall be presented to the electors and a 22 certificate establishing the form of the ballot question or 23 questions; and

(c) a certificate establishing the dates of the first
 primary and general elections for officers of a new

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government if the proposal is approved and establishing the
 effective date of the proposal if approved.

3 (2) The final report shall contain any minority report
 4 signed by members of the commission who do not support the
 5 wajority proposal.

6 (3) If the study commission is not recommending any
7 changes, its final report shall so indicate.

8 (4) The study commission shall file one copy of the 9 final report with the department of administration. A copy 10 of the final report shall be certified by the study 11 commission to the municipal or county records administrator 12 within 30 days after the adoption of the final report.

13 (5) Sufficient copies of the final report are to be 14 prepared for public distribution. The final report must be 15 available to the electors not later than 30 days prior to 16 the election on the issue of adopting the alternative plan. 17 Copies of the final report may be distributed to electors or 18 residents of the local government or governments affected. 19 <u>**MEW_SECTION**</u> Section 20. Special final report requirements -- consolidation or county merger. (1) 20 21 Consolidation or merger may be placed on the ballot only by a joint report by cooperative study commissions. 22

(2) A final report, in addition to the material
 required in [section 19], must contain a consolidation plan
 if county-municipal consolidation or county merger is

recommended. The consolidation plan must conform to the 1 2 provisions and requirements relating to petitions in: 3 (a) 7-3-143 whenever county-municipal consolidation is 4 recommended: or 5 (b) 7-3-144 whenever county merger is recommended. NEW_SECTION. Section 21. Special 6 final report 7 requirements for disincorporation. If a study commission 8 proposes municipal disincorporation, the final report shall 9 contain the following additional material and documents: 10 (1) a certificate of disincorporation instead of a 11 plan of government; and 12 (2) a recommended plan of disincorporation. 13 NEW SECTION. Section 22. Supplementary reports. A 14 study commission may prepare separate reports in addition to 15 its final report. These reports may recommend consolidation 16 of services and functions and indicate potential areas for 17 interlocal agreements. 18 YEW_SECTION. Section 23. Publication of summary. Each 19 study commission shall publish once each week for 2 successive weeks in a newspaper of general circulation 20 21 throughout the area of the affected local government a 22 summary of its findings and recommendations, together with

the address of a convenient public place where the text of
its proposal may be obtained. The summary shall include a

25 comparison of the existing and proposed plans of government.

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1 YEM_SECTION. Section 24. Election on recommendation. 2 (1) An alternative plan of government recommended by a study 3 commission shall be submitted to the voters as provided in 4 7-3-149, except that the study commission shall authorize the submission of the alternative plan of government to, the 5 6 voters at a special election to be held within 120 days of 7 the adoption of the final report. The special election may 8 be held in conjunction with any regularly scheduled 9 election. Study commissions elected on the general election 10 date in 1984 shall submit a final report allowing for a vote on any recommendation no later than the general election 11 12 date in 1986.

13 (2) General ballot requirements and treatment of 14 suboptions on an alternative plan of government recommended 15 by a study commission shall be the same as for 16 recommendations by petition as provided in 7-3-150 and 17 7-3-151.

18 NEW_SECTION. Section 25. Application of other 19 sections. (1) Except as provided in subsection (2)+ 7-3-122 20 and 7+3-152 through 7+3-161 apply to the adoption of an 21 alternative plan of government upon recommendation by a 22 study commission.

23 (2) (a) The chairman of the study commission and not 24 the chairman of the governing body shall certify documents 25 under 7-3-153.

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(b) The study commission and not the governing body 1 2 shall prepare an advisory plan for orderly transition to a new plan of local government under 7-3-157.

(c) A study commission plan may provide for existing 4 5 elected officers under 7-3-158(3).

6 Section 26. Section 7-3-143, MCA, is amended to read: 7 *7-3-143. Special requirements if consolidation 8 recommended. (1) Whenever county-municipal consolidation is 9 recommended, a petition, in addition to the material 10 required in 7-3-142, must contain a consolidation plan 11 which:

12 (a) provides for adjustment of existing bonded indeptedness and other obligations in a manner which assures 13 14 a fair and equitable burden of taxation for debt service;

15 (b) provides for establishment of subordinate service 16 districtst

17 (c) provides for the transfer or other disposition of 18 property and other rights, claims, assets, and franchises of the local governments consolidated under its proposal; 19

20 (d) provides the official name of the consolidated 21 local government; and

(e) (i) provides for the transfer, reorganization, 22 23 abolition, adjustment of boundaries, or absorption of all 24 existing boards, <u>burgaus, special districts</u>, subordinate 25 service districts, local improvement districts, agencies,

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and political subdivisions of the consolidated governments,
 excluding school districtsy-authoritiesy and nonconsolidated
 municipalities; or

4 (ii) grants the legislative body of the consolidated 5 government the authority to transfer, reorganize, abolish, 6 adjust boundaries (and may provide a method for adjusting 7 <u>boundaries</u>, or absorb existing boards, <u>bureaus, special</u> 8 districts. subordinate service districts. local improvement 9 districts, agencies, and political subdivisions of the 10 consolidated governments, excluding school districts 11 esthoritiesy and nonconsolidated sunicipalities, with or 12 without referendum requirements.

13 (2) The consolidation plan may include other
14 provisions that are consistent with state law.

15 (3) Whenever amendments to an existing consolidation
plan are recommended, a petition must contain a certificate
containing amendments to the consolidation plan.⁴⁶

18 Section 27. Section 7-3-151, MCA, is amended to read: 19 *7-3-151. Treatment of suboptions for alternative 20 forms. (1) No petition recommendation may involve more than 21 three separate suboptions, and no suboption may contain more 22 than two alternatives. If a suboption is submitted to the voters, only the ballot alternatives within that suboption 23 receiving the highest number of affirmative votes are Z4 considered approved and included in the alternative form of 25

1 government. If the alternative form of government failss a

2 suboption_is_of_no_effect.

3 (2) A proposed plan shall be submitted to the voters as a single question, except that the suboptions within the 4 alternative plan of local government authorized in Title 7, 5 6 chapter 3, parts 1 through 6, and the suboctions authorized 7 in a charter may be submitted to the electors as separate 8 questions. The question of adopting a suboption shall be 9 submitted to the electors in substantially the following 10 form: 11 Vote for one: 12 A legal officer (who may be called the "county 13 attorney#): 14 Shall be elected for a term of 4 years. 15 Shall be appointed for a term of 4 years by the 16 chairman of the local governing body." 17 NEW SECTION. Section 28. Severability. If a part of 13 this act is invalid, all valid parts that are severable from 19 the invalid part remain in effect. If a part of this act is 20 invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from 21 22 the invalid applications.

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GOVERNOR'S PROPOSED AMENDEMENTS TO HOUSE BILL NO. 426 (REFERENCE COPY)

1. Page 6, line 4. Following: Insert:

"plan." "If the commission recommends no alternative plan, the term ends 30 days after submission of the final report in accordance with [section 19]." .

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1	HOUSE BILL NO. 426	1	study commission shall be held:
2	INTRODUCED BY BERTELSEN, ECK	2	(a) whenever the governing body of the local
3		3	government unit calls for an election by resolution;
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT ARTICLE	4	(b) whenever a petition signed by at least 15% of the
5	XI, SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING	5	electors of the local government calling for an election is
6	FOR ELECTIONS ON THE QUESTION OF REVIEW OF LOCAL GOVERNMENT	6	submitted to the governing body; or
7	AND PROCEDURES FOR THE ESTABLISHMENT AND FUNCTIONING OF	7	(c) in 1984 and thereafter whenever 10 years have
e	LOCAL GOVERNMENT STUDY COMMISSIONS AND FOR THE	Ą	elapsed since the electors have voted on the question of
9	IMPLEMENTATION OF THEIR RECOMMENDATIONS; AMENDING SECTIONS	9	conducting a local government review and establishing a
10	7-3-143 AND 7-3-151, MCA."	10	study commission.
11		11	(2) The governing body shall call for an election, to
12	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	12	be held on the primary election date, on the question of
13	<u>NEW_SECTION</u> Section 1. Purpose. The purpose of	13	conducting a local government review and establishing a
14	[sections 1 through 25] is to provide a mechanism for local	14	study commission:
15	government review as required by Article XI, section 9, of	15	(a) in 1984 to implement the provisions of Article XI.
15	the Montana constitution.	16	section 9(2), of the Montana constitution as provided in
17	<u>NEW_SECTION</u> . Section 2. Purpose of study commission.	17	section 2, Chapter 70, Laws of 1977;
18	The purpose of a study commission is to study the existing	18	(b) within 1 year after the 10-year period referred to
19	form and powers of a local government and procedures for	19	in subsection (1)(c).
20	delivery of local government services and compare them with	20	<u>NEW SECTION</u> Section 4. Election procedures. (1)
21	other forms available under the laws of the state.	21	Votes cast on the question of establishing a study
22	<u>NEW_SECTION</u> . Section 3. Establishment of study	2?	commission and for electing study commission members shall
23	commissions• (1) A study commission may be established by an	23	be counted, canvassed, and returned as provided in Title 13
24	affirmative vote of the people. An election on the question	24	for general elections.
25	of conducting a local government review and establishing a	25	(2) The election administrator shall report the

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-2- HB 426 REFERENCE BILL: INCLUDES GOVERNOR'S AMENDMENTS DATED <u>4-6</u> results of all elections conducted under [sections: 1 through
 25] to the secretary, of state within 15 days of the date the
 results become official.

<u>NEW_SECTION</u> Section 5. Election on quastion. of
establishing study. commission. (1): The question of
conducting. a local government review and establishing a
study.commission shall be submitted to the electors in
substantially the following form:

9 Vote for one:

10 FOR the review of the government of (insert name of 11 local government) and the establishment of a local 12 government study commission consisting of (insert 13 number of members) members to examine the government 14 of (insert name of local government) and submit 15 recommendations thereon.

16 AGAINST the review of the government of (insert name
 17 of local government) and the establishment of a
 18 study commission.

19 (2). The question of conducting a local government
20 review and establishing a study commission requires an
21: affirmative vote of a majority of those voting on the
22 question for passage.

23: (3) Except for elections to be conducted: pursuant: to
24 [section 3(2)], a special election on the question of
25: reviewing a local government and establishing a study.

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commission shall be held no sooner than 60 days and no later
 than 90 days after the passage of a resolution or the
 certification of a petition calling for an election on the
 question.

NEW SECTION. Section 6. Election 5 of commission 6 members. (1) If the question of reviewing the local 7 government and establishing a study commission is approved. а an election to fill the positions on the local government 9 study commission shall be held in conjunction with the 1984 general election date or at the first regularly scheduled 10 11 election of the local government conducted after 90 days following the election establishing the study commission. A 12 13 primary election may not be held.

14 (2) The names of study commission candidates who have 15 filed declarations of nomination <u>NOT_LATER_IHAN_60_DAYS</u> 16 <u>BEFORE_THE_DATE_OF_THE_ELECTION</u> shall be placed on the 17 ballot. There is no filing fee. The election is nonpartisan, 18 and candidates shall be listed without party or other 19 designation or slogan. The secretary of state shall 20 prescribe the ballot form for study commissions.

(3) Candidates for study commission positions shall be
electors of the local government for which the study
commission has been established. The candidates may not be
elected officials of the local government.

25 (4) The number of candidates; equal to the number of

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1 study commission positions to be elected, receiving the 2 highest number of votes shall be declared elected.

3 (5) If the number of study commissioners elected is not equal to the number required to be selected, the 5 chairman of the governing body, with the confirmation of the 6 governing body, shall appoint the additional study 7 commissioners within 20 days of the election. No elected 3 official of the local government may be appointed.

9 NEW_SECTION. Section 7. Composition of study 10 commission. (1) The number of positions, which must be an 11 odd number of not less than three, on the study commission 12 shall be set out in the resolution or petition calling for 13 the election on the question of reviewing the local 14 government or local governments and establishing a study 15 commission. If the election is called under the provisions 16 of [section 3(1)(c)], the study commission shall consist of 17 three members unless the local governing body by resolution 19 declares that a larger number shall be elected.

19 (2) Every study commission shall include as an ex 20 officio nonvoting member a member of the governing body or an elected official or employee of the local government 21 22 appointed by the governing body.

23 NEW SECTION. Section 8. Term of office. The term of 24 office of study commission members begins on the day their 25 alection to the study commission is declared or certified

under 13-15-405 or on the day of their appointment and ends 1 on the day of the vote on the alternative plan. If the 2 3 alternative plan is adopted, the term continues for 90 days after the day of the vote on the alternative plan. IF THE COMMISSION RECOMMENDS NO ALTERNATIVE PLAN, THE TERM ENDS 30 DAYS AFTER SUBMISSION OF THE FINAL REPORT IN ACCORDANCE WITH 7 LSECTION 191. 8 NEW SECTION. Section 9. Vacancies. Vacancies on a study commission shall be filled by appointment by the 10 governing body of the local government being studied by the 11 commission. 12 NEW_SECIION. Section 10. Compensation. Members of the study commission may receive no compensation other than for 13 actual and necessary expenses incurred in their official 14 15 capacity. NEW_SECTION. Section 11. Organization of commission. 16 (1) Not later than 10 days after all members of the study

17 18 commission have been elected or appointed, the study commission shall meet and organize at a time set by the 19 chairman of the governing body of the local government which 20 21 the study commission is to examine. (2) At the first meeting of the study commission, the 22 23 study commission may elect a temporary chairman, who will

24 serve until a permanent chairman is selected.

25 NEW SECTION. Section 12. Cooperation ٥f study

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commissions. (1) "Any two for more study commissions may
 cooperate in the conduct of their studies. A majority vote
 by each of the affected study commissions is required for ta
 cooperative study.

(2) Cooperative Studies do not preclude each study 5 6 commission from making a separate report and recommendation. 7 NEW SECTION. Section 13. Conduct of business. (1) 8 Meetings of the study commission shall be held upon the call of the chairman, vice-chairman in the absence or inability 9 10 of the chairmany or a majority of the members. The chairman 11 shall announce the time and place of the meetings of the 12 study commission.

13 (2) The study commission shall maintain a written
14 record of its proceedings and its finances. This record is
15 open to inspection by any person at the office of the study
16 commission during regular office hours.

17 (3) A majority of the members of the study commission 18 constitutes a quorum for the transaction of business, but no 19 recommendation of a study commission may have any legal 20 effect unless adopted by a majority of the whole number of 21 members of the study commission.

(4) The study commission may adopt rules for its own
 organization and procedure.

 24
 NEW_SECTION.
 Section 14.
 Open meetings and public

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 involvement.
 Allemeetings of the study commission are open

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to the public as provided in Title 2, chapter 3, part 2. The study commission shall hold public hearings and community forums and may use other suitable means to disseminate information, receive suggestions and comments, and stimulate public discussion of its purpose, progress, conclusions, and recommendations.

7 NEW_SECTION, Section 15, Commission powers. (1) A study commission may employ and fix the compensation and B 9 duties of necessary staff. State, municipal, and county officers and employees, at the request of the study 10 commission and with the consent of the employing agency, may 11 12 be granted leave with or without pay from their agancy to 13 serve as consultants to the study commission. If leave with 14 pay is granted, they may receive no other compensation from 15 the study commission except mileage and per diem.

16 (2) A study commission may contract and cooperate with 17 other agencies, public or private, as it considers necessary 18 for assistance in carrying out the purposes for which the 19 commission was established. Upon request of the chairman of the study commission, state agencies, counties, and other 20 local governments and the officers and employees thereof 21 **Z**2 shall furnish or make available to the commission such 23 information as may be necessary for carrying out the 24 commission's function.

(3) A study commission may:

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(a) establish advisory boards and committees,
 including on them persons who are not members of the study
 commission;

4 (0) retain consultants; and

5 (c) do any other act consistent with and reasonably
5 required to perform its function.

<u>NEW_SECTION</u>. Section 16. Financial administration.
 a (1) A study commission shall prepare a budget for each
 fiscal year it is in existence and submit it to the local
 governing body for approval.

11 (2) (a) For the support of the study commission, for 12 Each fiscal year the study commission is in existence, each 13 local povernment under study shall appropriate the 14 equivalent of at least 1 mill and the local government may 15 levy up to 1 mill in excess of all other mill levies 16 authorized by law to fund the appropriation for the support 17 of the study commission.

(b) The local government shall provide office and meeting space and clerical assistance to the study commission. The cost of clerical assistance and other in-kind services provided by the local government may be used to partially fulfill the appropriation requirement of subsection (2)(4).

(c) The local government may in its discretion provide
 additional funds and other assistance.

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(3) The study commission may apply for and accept
 available private, state, and federal money and may accept
 donations from any source.

4 (4) All money received by the study commission shall 5 be deposited with the local government finance administrator. The finance administrator is authorized to 6 7 disburse appropriated money of the study commission on the study commission's order after approval of the budget by the 8 9 governing body. Unexpended money of the study commission 10 does not revert to the general fund of the local government 11 at the end of the fiscal year but carries over to the study 12 commission's appropriation for the following fiscal year. 13 Upon termination of the study commission, unexpended money 14 reverts to the general fund of the local government. 15 NEW_SECTION_ Section 17. Scope of study commission recommendations. (1) A study commission elected to examine 16 17 the government of a county may: 18 (a) recommend amendments to the existing plan of 19 government; 20 (b) recommend any plan of government authorized by 21 Title 7, chapter 3, parts 1 through 6; 22 (c) draft a charter; 23 (d) recommend municipal-county consolidation or 24 umendments to an existing consolidation; 25 (a) in cooperation with a study commission in an

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adjoining county, recommend county merger; or	1 (b) formulate, reproduce, and d stribute a tentative
(f) submit no recommendation.	2 report, containing the same categories of information
(2) A study commission elected to examine the	3 required to be included in the final report;
government of a municipality may:	4 .(c) conduct one or more public hearings on the
(a) recommend amendments to the existing plan of	5 tentative report;
gove rnment;	6 (d) adopt the final report of the commission and set
(b) recommend any plan of government authorized by	7 the date for a special election on the question of adopting
Title 7. chapter 3. parts 1 through 6;	8 a new plan of government or, if the study commission is not
(c) draft a charter;	9 recommending any changes, publish and distribute the final
(d) recommend municipal-county consolidation;	10 report as provided in [section 19] within 60 days after the
(e) recommend disincorporation; or	11 final report is adopted.
(f) submit no recommendation.	12 <u>NEW SECTION.</u> Section 19. Final report. (1) Every
NEW SECTION: Section 18. Study commission timetable.	13 study commission shall adopt a final report. If the study
(1) Each local government study commission shall, within 90	14 commission recommends an alternative form of government, the
days of its organizational meeting, establish a timetable	15 final report shall contain the following materials and
for its deliberations and actions. The timetable must be	16 documents, each signed by a majority of the study commission
published in a local newspaper of general circulation. The	17 memoers:
timetable may be revised, but each revision must be	18 (a) those materials and documents required of a
republished.	19 petition proposing an alteration of an existing form of
(Z) The timetable must provide, at a minimum, the	20 yovernment in 7+3-142;
following provisions, to be accomplished chronologically in	21 (b) a certificate establishing the date of the special
the order presented:	22 election, which may be held in conjunction with a regularly
(a) conduct one or more public hearings for the	23 scheduled election, at which the alternative form of
purpose of gathering information regarding the current form,	24 government shall be presented to the electors and a
functions, and problems of local government;	25 certificate establishing the form of the ballot question or
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1	questions; and	1	(2) A final report, in addition to the material
2	(c) a certificate establishing the dates of the first	2	required in [section 19], must contain a consolidation plan
3	primary and general elections for officers of a new	3	if county-municipal consolidation or county merger is
4	government if the proposal is approved and establishing the	4	recommended. The consolidation plan must conform to the
5	effective date of the proposal if approved.	5	provisions and requirements relating to petitions in:
6	(2) The final report shall contain any minority report	6	(a) 7-3-143 whenever county-municipal consolidation is
7	signed by members of the commission who do not support the	7	recommended; or
9	majority proposal.	8	(b) 7-3-144 whenever county merger is recommended.
9	(3) If the study commission is not recommending any	9	NEW_SECTION. Section 21. Special final report
10	changes, its final report shall so indicate.	10	requirements for disincorporation. If a study commission
11	(4) The study commission shall file one copy of the	11	proposes municipal disincorporation, the final report shall
12	final report with the department of administration. A copy	12	contain the following additional material and documents:
13	of the final report shall be certified by the study	13	(1) a certificate of disincorporation instead of a
14	commission to the municipal or county records administrator	14	plan of government; and
15	within 30 days after the adoption of the final report.	15	(2) a recommended plan of disincorporation.
16	(5) Sufficient copies of the final report are to be	16	<u>NEW_SECIION</u> Section 22. Supplementary reports. A
17	prepared for public distribution. The final report must be	17	study commission may prepare separate reports in addition to
19	available to the electors not later than 30 days prior to	18	its final report. These reports may recommend consolidation
19	the election on the issue of adopting the alternative plan.	19	of services and functions and indicate potential areas for
20	copies of the final report may be distributed to electors or	20	interlocal agreements.
21	residents of the local government or governments affected.	21	<u>NEW_SECTIONs</u> Section 23. Publication of summary, Each
22	<u>NEW_SECIION_</u> Section 20. Special final report	22	study commission shall publish once each week for 2
23	requirements consolidation or county merger. (1)	23	successive weeks in a newspaper of general circulation
24	Consolidation or merger may be placed on the ballot only by	24	throughout the area of the affected local government a
25	a joint report by cooperative study commissions.	25	summary of its findings and recommendations, together with

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.1 the address of a convenient public place where the text of 2 its proposal may be obtained. The summary shall include a - 3 comparison of the existing and proposed plans of government. 4 NEW SECTION. Section 24. Election on recommendation. 5 (1) An alternative plan of government recommended by a study 6 commission shall be submitted to the voters as provided in 7-3-149, except that the study commission shall authorize 7 8 the submission of the alternative plan of government to the 9 voters at a special election to be held within 120 days of 10 the adoption of the final report. The special election may 11 be held in conjunction with any regularly scheduled election. Study commissions elected on the general election 12 13 date in 1984 shall submit a final report allowing for a vote on any recommendation no later than the general election 14 date in 1986. 15

16 (2) General ballot requirements and treatment of 17 suboptions on an alternative plan of government recommended 18 by a study commission shall be the same as for 19 recommendations by petition as provided in 7-3-150 and 20 7-3-151.

21 <u>NEW_SECTIONs</u> Section 25. Application of other
22 sections. (1) Except as provided in subsection (2), 7-3-122
23 and 7-3-152 through 7-3-161 apply to the adoption of an
24 alternative plan of government upon recommendation by a
25 study commission.

(2) (a) The chairman of the study commission and not the chairman of the governing body shall certify documents under 7-3-153.

(b) The study commission and not the governing body
shall prepare an advisory plan for orderly transition to a
new plan of local government under 7-3-157.

fc) A study commission plan may provide for existing
 8 elected officers under 7-3-158(3).

Section 26. Section 7-3-143, MCA, is amended to read:
 *7-3-143. Special requirements if consolidation
 recommended. (1) Whenever county-municipal consolidation is
 recommended, a petition, in addition to the material
 required in 7-3-142, must contain a consolidation plan
 which:

15 (a) provides for adjustment of existing bonded
16 indebtedness and other obligations in a manner which assures
17 a fair and equitable burden of taxation for debt service;

18 (b) provides for establishment of subordinate service19 districts;

(c) provides for the transfer or other disposition of
 property and other rights, claims, assets, and franchises of
 che local governments consolidated under its proposal;

23 (d) provides the official name of the consolidated24 local government; and

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(e) (i) provides for the transfer, reorganization,

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abolition, adjustment of boundaries, or absorption of <u>all</u>
 existing boards, <u>bureaus</u>, <u>special_districts</u>, subordinate
 service districts, local improvement districts, agencies,
 and political subdivisions of the consolidated governments,
 excluding school districts, authorities, and nonconsolidated
 municipalities; or

(ii) grants the legislative body of the consolidated 7 government the authority to transfer, reorganize, abolish, 3 adjust boundaries (and may provide a _method _for _adjusting Q. poundaries1, or absorb existing boards, bureaus, special 10 districts, subordinate service districts, local improvement 11 districts, agencies, and political subdivisions of the 1? consolidated governments, excluding school districts, 13 14 authorities, and nonconsolidated municipalities, with or 15 without referendum requirements.

16 (2) The consolidation plan may include other17 provisions that are consistent with state law.

(3) whenever amendments to an existing consolidation
 plan are recommended, a petition must contain a certificate
 containing amendments to the consolidation plan."

21 Section 27. Section 7-3-151, MCA, is amended to read: 22 "7-3-151. Treatment of suboptions for alternative 23 forms. (1) No petition recommendation may involve more than 24 three separate suboptions, and no suboption may contain more 25 than two alternatives. If a suboption is submitted to the

1 voters, only the ballot alternatives within that suboption 2 receiving the highest number of affirmative votes are 3 considered approved and included in the alternative form of 4 government. If the alternative form of government fails, a 5 suboption_is_of_no_effect_ 6 (2) A proposed plan shall be submitted to the voters 7 as a single question, except that the suboptions within the 8 alternative plan of local government authorized in Title 7, chapter 3, parts 1 through 6, and the suboptions authorized Q in a charter may be submitted to the electors as separate 10 questions. The question of adopting a suboption shall be 11 12 submitted to the electors in substantially the following 13 form:

14 Vote for one:

15 A legal officer (who may be called the "county 16 attorney"):

17 Shall be elected for a term of 4 years.

Shall be appointed for a term of 4 years by the
 chairman of the local governing body."

20 <u>NEW SECTION</u>. Section 28. Severability. If a part of 21 this act is invalid, all valid parts that are severable from 22 the invalid part remain in effect. If a part of this act is 23 invalid in one or more of its applications, the part remains 24 in affect in all valid applications that are severable from

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