

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 SENATE

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 11, 1983	Governor's amendments transmitted to Senate.
April 20, 1983	Second reading, Governor's amendments concurred in.
April 21, 1983	Third reading, Governor's amendments concurred in.

IN THE HOUSE

April 21, 1983	Returned to House. Sent to enrolling.
	Reported correctly enrolled.

1 House BILL NO. 426
2 INTRODUCED BY Dentelsen
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO IMPLEMENT ARTICLE
5 XI, SECTION 9(2), OF THE MONTANA CONSTITUTION BY PROVIDING
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
10 7-3-143 AND 7-3-151, MCA."
11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
13 NEW SECTION. 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 NEW SECTION. 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 NEW SECTION. 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).
20 NEW SECTION. Section 4. Election procedures. (1)
21 Votes cast on the question of establishing a study
22 commission and for electing study commission members shall
23 be counted, canvassed, and returned as provided in Title 13
24 for general elections.
25 (2) The election administrator shall report the

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

4 NEW SECTION. 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

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.

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
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 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 of
25 study commission positions to be elected, receiving the

1 highest number of votes shall be declared elected.

2 (5) If the number of study commissioners elected is
3 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 commissioners within 20 days of the election. No elected
7 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
11 shall be set out in the resolution or petition calling for
12 the election on the question 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 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.

22 NEW SECTION. Section 8. Term of office. The term of
23 office of study commission members begins on the day their
24 election to the study commission is declared or certified
25 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 alternative plan is adopted, the term continues for 90 days
3 after the day of the vote on the alternative plan.

4 NEW SECTION. 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 NEW SECTION. 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 NEW SECTION. 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 NEW SECTION. 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.

(2) Cooperative studies do not preclude each study commission from making a separate report and recommendation.

NEW SECTION. Section 13. Conduct of business. (1) Meetings of the study commission shall be held upon the call of the chairman, vice-chairman in the absence or inability of the chairman, or a majority of the members. The chairman shall announce the time and place of the meetings of the 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.

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

NEW SECTION. Section 14. Open meetings and public involvement. All meetings of the study commission are open 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.

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

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

(3) A study commission may:

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

(b) retain consultants; and

(c) do any other act consistent with and reasonably 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.

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

(c) The local government may in its discretion provide 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.

(4) All money received by the study commission shall

be deposited with the local government finance administrator. The finance administrator is authorized to disburse appropriated money of the study commission on the study commission's order after approval of the budget by the governing body. Unexpended money of the study commission does not revert to the general fund of the local government at the end of the fiscal year but carries over to the study commission's appropriation for the following fiscal year. Upon termination of the study commission, unexpended money reverts to the general fund of the local government.

NEW SECTION. Section 17. Scope of study commission recommendations. (1) A study commission elected to examine the government of a county may:

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

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

(c) draft a charter;

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

(e) in cooperation with a study commission in an adjoining county, recommend county merger; or

(f) submit no recommendation.

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

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

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

5 (c) draft a charter;

6 (d) recommend municipal-county consolidation;

7 (e) recommend disincorporation; or

8 (f) submit no recommendation.

9 NEW SECTION. Section 18. Study commission timetable.

10 (1) Each local government study commission shall, within 90
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
15 republished.

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 NEW SECTION. 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

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

effective date of the proposal if approved.

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

(3) If the study commission is not recommending any 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 the election on the issue of adopting the alternative plan. Copies of the final report may be distributed to electors or 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 recommended. The consolidation plan must conform to the

provisions and requirements relating to petitions in:

(a) 7-3-143 whenever county-municipal consolidation is recommended; or

(b) 7-3-144 whenever county merger is recommended.

NEW SECTION. Section 21. Special final report requirements for disincorporation. If a study commission proposes municipal disincorporation, the final report shall contain the following additional material and documents:

(1) a certificate of disincorporation instead of a plan of government; and

(2) a recommended plan of disincorporation.

NEW SECTION. Section 22. Supplementary reports. A study commission may prepare separate reports in addition to its final report. These reports may recommend consolidation of services and functions and indicate potential areas for interlocal agreements.

NEW SECTION. Section 23. Publication of summary. Each study commission shall publish once each week for 2 successive weeks in a newspaper of general circulation throughout the area of the affected local government a 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 comparison of the existing and proposed plans of government.

NEW SECTION. Section 24. Election on recommendation.

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

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

NEW SECTION. Section 25. Application of other sections. (1) Except as provided in subsection (2), 7-3-122 and 7-3-152 through 7-3-161 apply to the adoption of an alternative plan of government upon recommendation by a 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.

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

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

(b) provides for establishment of subordinate service districts;

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

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

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

1 excluding school districts, ~~authorities~~, and nonconsolidated
2 municipalities; or

3 (ii) grants the legislative body of the consolidated
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
8 districts, agencies, and political subdivisions of the
9 consolidated governments, excluding school districts,
10 ~~authorities~~, and nonconsolidated municipalities, with or
11 without referendum requirements.

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

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."

17 Section 27. Section 7-3-151, MCA, is amended to read:

18 "7-3-151. Treatment of suboptions for alternative
19 forms. (1) No petition recommendation may involve more than
20 three separate suboptions, and no suboption may contain more
21 than two alternatives. If a suboption is submitted to the
22 voters, only the ballot alternatives within that suboption
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

1 suboption is of no effect.

2 (2) A proposed plan shall be submitted to the voters
3 as a single question, except that the suboptions within the
4 alternative plan of local government authorized in Title 7,
5 chapter 3, parts 1 through 6, and the suboptions authorized
6 in a charter may be submitted to the electors as separate
7 questions. The question of adopting a suboption shall be
8 submitted to the electors in substantially the following
9 form:

10 Vote for one:

11 A legal officer (who may be called the "county
12 attorney"):

13 ☐ Shall be elected for a term of 4 years.

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

16 NEW SECTION. 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.

-End-

Approved by Comm.
on Local Government

HOUSE BILL NO. 426

INTRODUCED BY BERTELSEN, ECK

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

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

NEW SECTION. Section 1. Purpose. The purpose of [sections 1 through 25] is to provide a mechanism for local government review as required by Article XI, section 9, of the Montana constitution.

NEW SECTION. Section 2. Purpose of study commission. The purpose of a study commission is to study the existing form and powers of a local government and procedures for delivery of local government services and compare them with other forms available under the laws of the state.

NEW SECTION. Section 3. Establishment of study commissions. (1) A study commission may be established by an affirmative vote of the people. An election on the question of conducting a local government review and establishing a

study commission shall be held:

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

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

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

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

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

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

NEW SECTION. 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.

(2) The election administrator shall report the

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

4 **NEW_SECTION.** 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

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.

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
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 NOT LATER THAN 60 DAYS
16 BEFORE THE DATE OF THE ELECTION 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.

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

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

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
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
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
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.

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24 office of study commission members begins on the day their
25 election to the study commission is declared or certified

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.

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6 study commission shall be filled by appointment by the
7 governing body of the local government being studied by the
8 commission.

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10 study commission may receive no compensation other than for
11 actual and necessary expenses incurred in their official
12 capacity.

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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.

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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) Cooperative studies do not preclude each study commission from making a separate report and recommendation.

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(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.

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

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

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

(3) A study commission may:

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

(b) retain consultants; and

(c) do any other act consistent with and reasonably 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.

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

(c) The local government may in its discretion provide 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.

(4) All money received by the study commission shall be deposited with the local government finance administrator. The finance administrator is authorized to disburse appropriated money of the study commission on the study commission's order after approval of the budget by the governing body. Unexpended money of the study commission does not revert to the general fund of the local government at the end of the fiscal year but carries over to the study commission's appropriation for the following fiscal year. Upon termination of the study commission, unexpended money reverts to the general fund of the local government.

NEW SECTION. Section 17. Scope of study commission recommendations. (1) A study commission elected to examine the government of a county may:

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

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

(c) draft a charter;

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

(e) in cooperation with a study commission in an adjoining county, recommend county merger; or

(f) submit no recommendation.

(2) A study commission elected to examine the

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 NEW SECTION. 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:

20 (a) conduct one or more public hearings for the

21 purpose of gathering information regarding the current form,

22 functions, and problems of local government;

23 (b) formulate, reproduce, and distribute a tentative

24 report, containing the same categories of information

25 required to be included in the final report;

1 (c) conduct one or more public hearings on the

2 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 NEW SECTION. 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

24 (c) a certificate establishing the dates of the first

25 primary and general elections for officers of a new

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

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

(3) If the study commission is not recommending any 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 the election on the issue of adopting the alternative plan. Copies of the final report may be distributed to electors or 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

recommended. The consolidation plan must conform to the provisions and requirements relating to petitions in:

(a) 7-3-143 whenever county-municipal consolidation is recommended; or

(b) 7-3-144 whenever county merger is recommended.

NEW SECTION. Section 21. Special final report requirements for disincorporation. If a study commission proposes municipal disincorporation, the final report shall contain the following additional material and documents:

(1) a certificate of disincorporation instead of a plan of government; and

(2) a recommended plan of disincorporation.

NEW SECTION. Section 22. Supplementary reports. A study commission may prepare separate reports in addition to its final report. These reports may recommend consolidation of services and functions and indicate potential areas for interlocal agreements.

NEW SECTION. Section 23. Publication of summary. Each study commission shall publish once each week for 2 successive weeks in a newspaper of general circulation throughout the area of the affected local government a 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 comparison of the existing and proposed plans of government.

NEW SECTION. Section 24. Election on recommendation.

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

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

NEW SECTION. Section 25. Application of other sections. (1) Except as provided in subsection (2), 7-3-122 and 7-3-152 through 7-3-161 apply to the adoption of an alternative plan of government upon recommendation by a 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.

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

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

(b) provides for establishment of subordinate service districts;

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

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

(e) (i) provides for the transfer, reorganization, abolition, adjustment of boundaries, or absorption of all existing boards, bureaus, special districts, 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 government the authority to transfer, reorganize, abolish, adjust boundaries ~~(and may provide a method for adjusting boundaries)~~, or absorb existing boards, ~~bureaus, special districts~~, subordinate service districts, local improvement districts, agencies, and political subdivisions of the consolidated governments, excluding school districts, ~~authorities~~ and nonconsolidated municipalities, with or without referendum requirements.

(2) The consolidation plan may include other 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."

Section 27. Section 7-3-151, MCA, is amended to read:

"7-3-151. Treatment of suboptions for alternative forms. (1) No petition recommendation may involve more than three separate suboptions, and no suboption may contain more than two alternatives. If a suboption is submitted to the voters, only the ballot alternatives within that suboption receiving the highest number of affirmative votes are considered approved and included in the alternative form of

government. ~~If the alternative form of government fails, a 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 chairman of the local governing body."

~~NEW SECTION.~~ Section 28. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

-End-

HOUSE BILL NO. 426

INTRODUCED BY BERTELSEN, ECK

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

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

NEW SECTION. Section 1. Purpose. The purpose of [sections 1 through 25] is to provide a mechanism for local government review as required by Article XI, section 9, of the Montana constitution.

NEW SECTION. Section 2. Purpose of study commission. The purpose of a study commission is to study the existing form and powers of a local government and procedures for delivery of local government services and compare them with other forms available under the laws of the state.

NEW SECTION. Section 3. Establishment of study commissions. (1) A study commission may be established by an affirmative vote of the people. An election on the question of conducting a local government review and establishing a

study commission shall be held:

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

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

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

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

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

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

NEW SECTION. 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.

(2) The election administrator shall report the

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

4 NEW SECTION. 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

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.

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
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 NOT LATER THAN 60 DAYS
16 BEFORE THE DATE OF THE ELECTION 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.

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

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

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
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
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
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 **NEW_SECTION.** 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

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
6 study commission shall be filled by appointment by the
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
11 actual and necessary expenses incurred in their official
12 capacity.

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.

22 **NEW_SECTION.** 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

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.

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 NEW SECTION. 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

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

4 NEW SECTION. Section 15. Commission powers. (1) A
5 study commission may employ and fix the compensation and
6 duties of necessary staff. State, municipal, and county
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
18 local governments and the officers and employees thereof
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:

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

(b) retain consultants; and

(c) do any other act consistent with and reasonably 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.

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

(c) The local government may in its discretion provide 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.

(4) All money received by the study commission shall be deposited with the local government finance administrator. The finance administrator is authorized to disburse appropriated money of the study commission on the study commission's order after approval of the budget by the governing body. Unexpended money of the study commission does not revert to the general fund of the local government at the end of the fiscal year but carries over to the study commission's appropriation for the following fiscal year. Upon termination of the study commission, unexpended money reverts to the general fund of the local government.

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

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

(c) draft a charter;

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

(e) in cooperation with a study commission in an adjoining county, recommend county merger; or

(f) submit no recommendation.

(2) A study commission elected to examine the

1 government of a municipality may:

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3 government;

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12 days of its organizational meeting, establish a timetable
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18 following provisions, to be accomplished chronologically in
19 the order presented:

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

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24 report, containing the same categories of information
25 required to be included in the final report;

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17 government in 7-3-142;

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19 election, which may be held in conjunction with a regularly
20 scheduled election, at which the alternative form of
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22 a joint report by cooperative study commissions.

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24 required in [section 19], must contain a consolidation plan
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(c) provides for the transfer or other disposition of property and other rights, claims, assets, and franchises of the local governments consolidated under its proposal;

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

(e) (1) provides for the transfer, reorganization, abolition, adjustment of boundaries, or absorption of all existing boards, bureaus, special districts, subordinate service districts, local improvement districts, agencies,

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3 municipalities; or

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5 government the authority to transfer, reorganize, abolish,
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11 Vote for one:

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16 chairman of the local governing body."

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22 the invalid applications.

-End-

HOUSE BILL NO. 426

INTRODUCED BY BERTELSEN, ECK

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

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

NEW SECTION. Section 1. Purpose. The purpose of [sections 1 through 25] is to provide a mechanism for local government review as required by Article XI, section 9, of the Montana constitution.

NEW SECTION. Section 2. Purpose of study commission. The purpose of a study commission is to study the existing form and powers of a local government and procedures for delivery of local government services and compare them with other forms available under the laws of the state.

NEW SECTION. Section 3. Establishment of study commissions. (1) A study commission may be established by an affirmative vote of the people. An election on the question of conducting a local government review and establishing a

study commission shall be held:

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

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

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

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

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

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

NEW SECTION. 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.

(2) The election administrator shall report the

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

4 ~~NEW SECTION.~~ 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

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.

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
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 ~~NOT LATER THAN 60 DAYS~~
16 ~~BEFORE THE DATE OF THE ELECTION~~ 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.

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

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

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
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
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
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 NEW SECTION. 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

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
6 study commission shall be filled by appointment by the
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
11 actual and necessary expenses incurred in their official
12 capacity.

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.

22 NEW SECTION. 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

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.

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 **NEW SECTION.** 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

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

4 **NEW SECTION.** Section 15. Commission powers. (1) A
5 study commission may employ and fix the compensation and
6 duties of necessary staff. State, municipal, and county
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
18 local governments and the officers and employees thereof
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:

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

(b) retain consultants; and

(c) do any other act consistent with and reasonably 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.

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

(c) The local government may in its discretion provide 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.

(4) All money received by the study commission shall be deposited with the local government finance administrator. The finance administrator is authorized to disburse appropriated money of the study commission on the study commission's order after approval of the budget by the governing body. Unexpended money of the study commission does not revert to the general fund of the local government at the end of the fiscal year but carries over to the study commission's appropriation for the following fiscal year. Upon termination of the study commission, unexpended money reverts to the general fund of the local government.

NEW SECTION. Section 17. Scope of study commission recommendations. (1) A study commission elected to examine the government of a county may:

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

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

(c) draft a charter;

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

(e) in cooperation with a study commission in an adjoining county, recommend county merger; or

(f) submit no recommendation.

(2) A study commission elected to examine the

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 NEW SECTION. 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:

20 (a) conduct one or more public hearings for the

21 purpose of gathering information regarding the current form,

22 functions, and problems of local government;

23 (b) formulate, reproduce, and distribute a tentative

24 report, containing the same categories of information

25 required to be included in the final report;

1 (c) conduct one or more public hearings on the

2 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 NEW SECTION. 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

24 (c) a certificate establishing the dates of the first

25 primary and general elections for officers of a new

1 government if the proposal is approved and establishing the
2 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 majority 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 **NEW SECTION.** Section 20. Special final report
20 requirements -- consolidation or county merger. (1)
21 Consolidation or merger may be placed on the ballot only by
22 a joint report by cooperative study commissions.

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

1 recommended. The consolidation plan must conform to the
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.

6 **NEW SECTION.** Section 21. Special 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 **NEW SECTION.** Section 23. Publication of summary. Each
19 study commission shall publish once each week for 2
20 successive weeks in a newspaper of general circulation
21 throughout the area of the affected local government a
22 summary of its findings and recommendations, together with
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.

NEW SECTION. Section 24. Election on recommendation.

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

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

NEW SECTION. Section 25. Application of other sections. (1) Except as provided in subsection (2), 7-3-122 and 7-3-152 through 7-3-161 apply to the adoption of an alternative plan of government upon recommendation by a 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.

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

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

(b) provides for establishment of subordinate service districts;

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

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

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

1 and political subdivisions of the consolidated governments,
2 excluding school districts, ~~authorities~~, and nonconsolidated
3 municipalities; or

4 (1) 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 ~~boundaries)~~, or absorb existing boards, ~~bureaus, special~~
8 ~~districts~~, subordinate service districts, local improvement
9 districts, agencies, and political subdivisions of the
10 consolidated governments, excluding school districts,
11 ~~authorities~~, and nonconsolidated municipalities, 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
16 plan are recommended, a petition must contain a certificate
17 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
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
23 voters, only the ballot alternatives within that suboption
24 receiving the highest number of affirmative votes are
25 considered approved and included in the alternative form of

1 government. ~~If the alternative form of government fails, 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
16 chairman of the local governing body."

17 ~~NEW SECTION.~~ Section 28. Severability. If a part of
18 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.

-End-

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

1. Page 6, line 4.

Following: "plan."

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

HOUSE BILL NO. 426

INTRODUCED BY BERTELSEN, ECK

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

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

NEW SECTION. Section 1. Purpose. The purpose of [sections 1 through 25] is to provide a mechanism for local government review as required by Article XI, section 9, of the Montana constitution.

NEW SECTION. Section 2. Purpose of study commission. The purpose of a study commission is to study the existing form and powers of a local government and procedures for delivery of local government services and compare them with other forms available under the laws of the state.

NEW SECTION. Section 3. Establishment of study commissions. (1) A study commission may be established by an affirmative vote of the people. An election on the question of conducting a local government review and establishing a

study commission shall be held:

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

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

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

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

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

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

NEW SECTION. 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.

(2) The election administrator shall report the

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

4 NEW SECTION. 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

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.

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
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 NOT LATER THAN 60 DAYS
16 BEFORE THE DATE OF THE ELECTION 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.

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

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

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
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.

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10 commission. (1) The number of positions, which must be an
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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
18 declares that a larger number shall be elected.

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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 NEW SECTION. 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

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. IF THE
5 COMMISSION RECOMMENDS NO ALTERNATIVE PLAN, THE TERM ENDS 30
6 DAYS AFTER SUBMISSION OF THE FINAL REPORT IN ACCORDANCE WITH
7 [SECTION 19].

8 NEW SECTION. Section 9. Vacancies. Vacancies on a
9 study commission shall be filled by appointment by the
10 governing body of the local government being studied by the
11 commission.

12 NEW SECTION. Section 10. Compensation. Members of the
13 study commission may receive no compensation other than for
14 actual and necessary expenses incurred in their official
15 capacity.

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17 (1) Not later than 10 days after all members of the study
18 commission have been elected or appointed, the study
19 commission shall meet and organize at a time set by the
20 chairman of the governing body of the local government which
21 the study commission is to examine.

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

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1 commissions. (1) Any two or more study commissions may
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5 (2) Cooperative studies do not preclude each study
6 commission from making a separate report and recommendation.

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8 Meetings of the study commission shall be held upon the call
9 of the chairman, vice-chairman in the absence or inability
10 of the chairman, 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.

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

24 NEW SECTION. Section 14. Open meetings and public
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3 forums and may use other suitable means to disseminate
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5 public discussion of its purpose, progress, conclusions, and
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10 officers and employees, at the request of the study
11 commission and with the consent of the employing agency, may
12 be granted leave with or without pay from their agency 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
20 the study commission, state agencies, counties, and other
21 local governments and the officers and employees thereof
22 shall furnish or make available to the commission such
23 information as may be necessary for carrying out the
24 commission's function.

25 (3) A study commission may:

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

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6 required to perform its function.

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8 (1) A study commission shall prepare a budget for each
9 fiscal year it is in existence and submit it to the local
10 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 government 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.

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

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

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

4 (4) All money received by the study commission shall
5 be deposited with the local government finance
6 administrator. The finance administrator is authorized to
7 disburse appropriated money of the study commission on the
8 study commission's order after approval of the budget by the
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
16 recommendations. (1) A study commission elected to examine
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 amendments to an existing consolidation;

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

1 adjoining county, recommend county merger; or

2 (f) submit no recommendation.

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

5 (a) recommend amendments to the existing plan of
6 government;

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

9 (c) draft a charter;

10 (d) recommend municipal-county consolidation;

11 (e) recommend disincorporation; or

12 (f) submit no recommendation.

13 NEW SECTION. Section 18. Study commission timetable.

14 (1) Each local government study commission shall, within 90
15 days of its organizational meeting, establish a timetable
16 for its deliberations and actions. The timetable must be
17 published in a local newspaper of general circulation. The
18 timetable may be revised, but each revision must be
19 republished.

20 (2) The timetable must provide, at a minimum, the
21 following provisions, to be accomplished chronologically in
22 the order presented:

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

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

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

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

12 NEW SECTION. Section 19. Final report. (1) Every
13 study commission shall adopt a final report. If the study
14 commission recommends an alternative form of government, the
15 final report shall contain the following materials and
16 documents, each signed by a majority of the study commission
17 members:

18 (a) those materials and documents required of a
19 petition proposing an alteration of an existing form of
20 government in 7-3-142;

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

1 questions; and

2 (c) a certificate establishing the dates of the first
3 primary and general elections for officers of a new
4 government if the proposal is approved and establishing the
5 effective date of the proposal if approved.

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

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

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

16 (5) Sufficient copies of the final report are to be
17 prepared for public distribution. The final report must be
18 available to the electors not later than 30 days prior to
19 the election on the issue of adopting the alternative plan.
20 Copies of the final report may be distributed to electors or
21 residents of the local government or governments affected.

22 **NEW SECTION.** Section 20. Special final report
23 requirements -- consolidation or county merger. (1)
24 Consolidation or merger may be placed on the ballot only by
25 a joint report by cooperative study commissions.

1 (2) A final report, in addition to the material
2 required in [section 19], must contain a consolidation plan
3 if county-municipal consolidation or county merger is
4 recommended. The consolidation plan must conform to the
5 provisions and requirements relating to petitions in:

6 (a) 7-3-143 whenever county-municipal consolidation is
7 recommended; or

8 (b) 7-3-144 whenever county merger is recommended.

9 **NEW SECTION.** Section 21. Special final report
10 requirements for disincorporation. If a study commission
11 proposes municipal disincorporation, the final report shall
12 contain the following additional material and documents:

13 (1) a certificate of disincorporation instead of a
14 plan of government; and

15 (2) a recommended plan of disincorporation.

16 **NEW SECTION.** Section 22. Supplementary reports. A
17 study commission may prepare separate reports in addition to
18 its final report. These reports may recommend consolidation
19 of services and functions and indicate potential areas for
20 interlocal agreements.

21 **NEW SECTION.** Section 23. Publication of summary. Each
22 study commission shall publish once each week for 2
23 successive weeks in a newspaper of general circulation
24 throughout the area of the affected local government a
25 summary of its findings and recommendations, together with

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 7-3-149, except that the study commission shall authorize
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
12 election. Study commissions elected on the general election
13 date in 1984 shall submit a final report allowing for a vote
14 on any recommendation no later than the general election
15 date in 1986.

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 NEW SECTION. 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.

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

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

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

9 Section 26. Section 7-3-143, MCA, is amended to read:

10 "7-3-143. Special requirements if consolidation
11 recommended. (1) Whenever county-municipal consolidation is
12 recommended, a petition, in addition to the material
13 required in 7-3-142, must contain a consolidation plan
14 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 service
19 districts;

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

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

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

abolition, adjustment of boundaries, or absorption of all existing boards, ~~bureaus, special districts,~~ 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 government the authority to transfer, reorganize, abolish, adjust boundaries ~~(and may provide a method for adjusting boundaries),~~ or absorb existing boards, ~~bureaus, special districts,~~ subordinate service districts, local improvement districts, agencies, and political subdivisions of the consolidated governments, excluding school districts, ~~authorities,~~ and nonconsolidated municipalities, with or without referendum requirements.

(2) The consolidation plan may include other 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."

Section 27. Section 7-3-151, MCA, is amended to read:

"7-3-151. Treatment of suboptions for alternative forms. (1) No petition recommendation may involve more than three separate suboptions, and no suboption may contain more than two alternatives. If a suboption is submitted to the

voters, only the ballot alternatives within that suboption receiving the highest number of affirmative votes are considered approved and included in the alternative form of government. ~~If the alternative form of government fails, a 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 chairman of the local governing body."

~~NEW SECTION.~~ Section 28. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from

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