

HB 205 INTRODUCED BY NELSON, ET AL.  
SUBSTITUTE 55 PERCENT VOTER APPROVAL FOR 40 PERCENT  
TURNOUT REQUIREMENT ON BOND ELECTIONS

1/14 INTRODUCED

1/14 REFERRED TO STATE ADMINISTRATION

1/21 HEARING

1/21 COMMITTEE REPORT--BILL NOT PASSED

1/22 ADVERSE COMMITTEE REPORT ADOPTED

83 14

1 HB BILL NO. 205  
 2 INTRODUCED BY Nelson Enclary, Connolly, Clarke, Gorman  
 3 Spencer, Stapp, Swanson, Bob Brown, Long  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO DELETE THE  
 5 REQUIREMENT THAT A MINIMUM PERCENTAGE OF VOTERS MUST  
 6 PARTICIPATE IN ELECTIONS TO APPROVE THE ISSUANCE OF CERTAIN  
 7 COUNTY, CITY, SCHOOL DISTRICT, AND CONSERVANCY DISTRICT  
 8 BONDS AND INSTEAD PROVIDING THAT SUCH BOND ISSUANCE MUST BE  
 9 APPROVED BY 55 PERCENT OF THE ELECTORS VOTING ON THE  
 10 QUESTION; AMENDING SECTIONS 7-7-2237, 7-7-4235, 7-7-4236,  
 11 20-6-206, 20-6-318, 20-9-428, AND 85-9-624, MCA; AND  
 12 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

13  
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 Section 1. Section 7-7-2237, MCA, is amended to read:  
 16 "7-7-2237. Percentage of electors affirmative vote  
 17 required to authorize bond issue. (1) Whenever the question  
 18 of issuing county bonds for any purpose is submitted to the  
 19 registered electors of a county at either a general or  
 20 special election, ~~not less than 40% of the registered~~  
 21 ~~electors entitled to vote on the question must vote thereon;~~  
 22 ~~otherwise, the proposition shall be considered to have been~~  
 23 ~~rejected;~~

24 (2) ~~If 40%~~ if 55% or more of the registered electors  
 25 do vote voting on the question ~~at the election and a~~

1 majority ~~of the votes shall be~~ cast votes in favor of the  
 2 proposition, then the proposition shall be considered to  
 3 have been approved and adopted."

4 Section 2. Section 7-7-2238, MCA, is amended to read:  
 5 "7-7-2238. Resolution to issue bonds. (1) If ~~it is~~  
 6 ~~found that at the bonding election 40% or more of the~~  
 7 ~~qualified electors entitled to vote at such election voted~~  
 8 ~~on such question and that a majority of such votes were cast~~  
 9 ~~in favor of the electorate has approved~~ the issuing of such  
 10 bonds pursuant to 7-7-2237, the board of county  
 11 commissioners shall, at a regular or special meeting held  
 12 within 30 days thereafter, pass and adopt a resolution  
 13 providing for the issuance of such bonds.

- 14 (2) Such resolution shall recite:  
 15 (a) the purpose for which such bonds are to be issued;  
 16 (b) the amount thereof;  
 17 (c) the maximum rate of interest the bonds may bear;  
 18 (d) the date they shall bear;  
 19 (e) the period of time through which they shall be  
 20 payable; and  
 21 (f) the optional provisions, if any.

22 (3) Such resolution shall provide for the manner of  
 23 the execution of the bonds. It shall provide that preference  
 24 shall be given amortization bonds, but shall fix the  
 25 denomination of serial bonds in case it shall be found



1 advantageous to issue bonds in that form. The board may in  
2 its discretion provide that such bonds may be issued and  
3 sold in two or more series or installments.

4 (4) The resolution shall adopt a form of notice of the  
5 sale of the bonds."

6 Section 3. Section 7-7-4235, MCA, is amended to read:

7 "7-7-4235. Percentage of electors affirmative vote  
8 required to authorize the issuing of bonds. ~~{1}~~ Wherever the  
9 question of issuing bonds for any purpose is submitted to  
10 the registered electors of a city or town at either a  
11 general or special election, ~~not--less--than--40%--of--the~~  
12 ~~registered--electors--entitled-to-vote-on-the-proposition-or~~  
13 ~~question--must--vote--thereon;--otherwise--the--proposition--shall~~  
14 ~~be--considered--to--have--been--rejected;~~

15 ~~{2}~~ ~~--if--40% if 55%~~ or more of the registered electors  
16 ~~do--vote~~ voting on the proposition ~~--or~~ question at the  
17 ~~election--and--a--majority--of--the--votes--are~~ cast votes in favor  
18 of the question ~~or--proposition~~, then the proposition ~~--or~~  
19 question shall be considered to have been adopted and  
20 approved."

21 Section 4. Section 7-7-4236, MCA, is amended to read:

22 "7-7-4236. Resolution to issue bonds. (1) ~~If 40%--or~~  
23 ~~more--of--the--qualified--electors--of--the--city--or--town--entitled~~  
24 ~~to--vote--on--the--question--of--issuing--bonds--voted--thereon--and--a~~  
25 ~~majority--of--the--votes--were--cast--in--favor--of~~ the electorate

1 has approved the issuing of the bonds pursuant to 7-7-4235,  
2 the city or town council shall, at a regular or special  
3 meeting held within 30 days thereafter, pass a resolution  
4 providing for the issuance of the bonds.

5 (2) The resolution shall recite:

6 (a) the purpose for which the bonds are to be issued;

7 (b) the amount thereof;

8 (c) the maximum rate of interest the bonds may bear;

9 (d) the date they shall bear;

10 (e) the period of time through which they are payable;

11 and

12 (f) that any bond may be redeemed in full, at the  
13 option of the city or town, on any interest payment date  
14 after expiration of one-half of the term for which the bond  
15 was issued.

16 (3) The resolution shall provide for the manner of  
17 execution of the bonds. It shall provide that preference  
18 shall be given amortization bonds but shall fix the  
19 denomination of serial bonds in case it shall be found  
20 advantageous to issue bonds in that form. The council may in  
21 its discretion provide that such bonds may be issued and  
22 sold in two or more series or installments.

23 (4) The resolution shall adopt a form of notice of the  
24 sale of the bonds."

25 Section 5. Section 20-6-206, MCA, is amended to read:

1 "20-6-206. Consolidation or annexation election with  
 2 assumption of bonded indebtedness. A consolidation election  
 3 involving the mutual assumption of bonded indebtedness by  
 4 the elementary districts to be consolidated, as prescribed  
 5 in 20-6-203, or an annexation election involving the joint  
 6 assumption of bonded indebtedness by the elementary district  
 7 to be annexed, as prescribed in 20-6-205, shall comply with  
 8 the following procedures in addition to those prescribed by  
 9 this title for other school elections:

10 (1) In a consolidation election the ballots shall  
 11 read, after stating the consolidation proposition, "FOR  
 12 consolidation with assumption of bonded indebtedness" and  
 13 "AGAINST consolidation with assumption of bonded  
 14 indebtedness".

15 (2) In an annexation election the ballots shall read,  
 16 after stating the annexation proposition, "FOR annexation  
 17 with assumption of bonded indebtedness" and "AGAINST  
 18 annexation with assumption of bonded indebtedness".

19 (3) Any elector qualified to vote under the provisions  
 20 of 20-20-301 may vote.

21 (4) When the trustees in each elementary district  
 22 conducting an election canvass the vote under the provisions  
 23 of 20-20-415, they shall ~~decide according to the following~~  
 24 ~~procedure, if the proposition has been approved:~~

25 (a) determine if a sufficient number of the qualified

1 electors of the district have voted to ~~validate the election~~  
 2 ~~and have voted to~~ approve the election proposition in the  
 3 ~~same manner~~ percentage required for bond elections by  
 4 20-9-428, ~~and.~~

5 (b) ~~when the proposition is approved under subsection~~  
 6 ~~(4)(a), determine the number of votes "FOR" and "AGAINST"~~  
 7 ~~the proposition.~~

8 (5) ~~The proposition shall be approved in the district~~  
 9 ~~if a majority of those voting approve the proposition. If~~  
 10 ~~the proposition is disapproved under either the provisions~~  
 11 ~~of subsection (4)(a) or (4)(b), the proposition shall be~~  
 12 ~~disapproved in the district.~~

13 Section 6. Section 20-6-318, MCA, is amended to read:

14 "20-6-318. Consolidation or annexation election with  
 15 assumption of bonded indebtedness. A consolidation election  
 16 involving the mutual assumption of bonded indebtedness by  
 17 the high school districts to be consolidated as prescribed  
 18 in 20-6-315 or an annexation election involving the joint  
 19 assumption of bonded indebtedness by the high school  
 20 districts to be annexed as prescribed in 20-6-317 must  
 21 comply with the following procedures in addition to those  
 22 prescribed by this title for other school elections:

23 (1) In a consolidation election the ballots must read,  
 24 after stating the consolidation proposition, "FOR  
 25 consolidation with assumption of bonded indebtedness" and

1 "AGAINST consolidation with assumption of bonded  
2 indebtedness".

3 (2) In an annexation election the ballots must read,  
4 after stating the annexation proposition, "FOR annexation  
5 with assumption of bonded indebtedness" and "AGAINST  
6 annexation with assumption of bonded indebtedness".

7 (3) Any elector qualified to vote under the provisions  
8 of 20-20-301 may vote.

9 (4) When the trustees in each high school district  
10 conducting an election canvass the vote under the provisions  
11 of 20-20-415, they shall ~~decide according to the following~~  
12 ~~procedure if the proposition has been approved:~~

13 (a) ~~determine if a sufficient number of the qualified~~  
14 ~~electors of the district voted to validate the election and~~  
15 ~~voted to approve the election proposition in the manner~~  
16 ~~percentage required for bond elections by 20-9-428; and.~~

17 (b) ~~if the proposition is approved under subsection~~  
18 ~~(4)(a); determine the number of votes "FOR" and "AGAINST"~~  
19 ~~the proposition;~~

20 (5) ~~if the proposition is disapproved under the~~  
21 ~~provisions of subsection (4)(a); the proposition is~~  
22 ~~disapproved in the district."~~

23 Section 7. Section 20-9-428, "CA, is amended to read:

24 "20-9-428. Determination of approval or rejection of  
25 proposition at bond election. (1) When the trustees canvass

1 the vote of a school district bond election under the  
2 provisions of 20-20-415, they ~~shall determine the approval~~  
3 ~~or rejection of the school bond proposition in the following~~  
4 ~~manner:~~

5 (a) ~~determine the total number of electors of the~~  
6 ~~school district who are qualified to vote under the~~  
7 ~~provisions of 20-20-301 from the list of electors supplied~~  
8 ~~by the county registrar for such school bond election;~~

9 (b) ~~determine the total number of qualified electors~~  
10 ~~who voted at the school bond election from the tally sheet~~  
11 ~~or sheets for such election;~~

12 (c) ~~calculate the percentage of qualified electors~~  
13 ~~voting at the school bond election by dividing the amount~~  
14 ~~determined in subsection (1)(b) by the amount determined in~~  
15 ~~subsection (1)(a); and~~

16 (d) ~~when the calculated percentage in subsection~~  
17 ~~(1)(c) is 40% or more, the school bond proposition shall be~~  
18 ~~deemed to have been approved and adopted if a majority 55%~~  
19 ~~or more of the votes shall have been on the question are~~  
20 ~~cast in favor of such proposition, otherwise it shall be~~  
21 ~~deemed to have been rejected; or.~~

22 (e) ~~when the calculated percentage in subsection~~  
23 ~~(1)(c) is more than 30% but less than 40%, the school bond~~  
24 ~~proposition shall be deemed to have been approved and~~  
25 ~~adopted if 60% or more of the votes shall have been cast in~~

1 favor--of--such-proposition,--otherwise-it-shall-be-deemed-to  
2 have-been-rejected,--or

3 ~~(f)--when--the--calculated--percentage--in---subsection~~  
4 ~~(i)(c)--is-30%-or-less,--the-school-bond-proposition-shall-be~~  
5 ~~deemed-to-have-been-rejected.~~

6 (2) If the canvass of the vote establishes the  
7 approval and adoption of the school bond proposition, the  
8 trustees shall issue a certificate proclaiming the passage  
9 of such proposition and the authorization to issue bonds of  
10 the school district for the purposes specified on the ballot  
11 for such school district bond election."

12 Section 8. Section 85-9-624, MCA, is amended to read:

13 "85-9-624. Issuance of bonds -- approval and  
14 assessments. (1) For a bond issue to be approved, ~~40%-of-the~~  
15 ~~qualified-electors-must-vote-thereon-and-60%~~ 55% or more of  
16 those voting on the question must approve the issue.

17 (2) Approval of the bond issue shall authorize the  
18 directors to make assessments necessary to pay the principal  
19 and interest on bonds issued, as provided in 85-9-601.

20 (3) The directors shall enter the results of the  
21 election in their records.

22 (4) If otherwise fairly conducted, no irregularities  
23 or informalities shall invalidate the election.

24 (5) Bonds for more than one purpose may be submitted  
25 to the electors as a single proposition."

1 NEW SECTION. Section 9. Effective date. This act is  
2 effective on passage and approval.

-End-