

HOUSE BILL NO. 388
INTRODUCED BY MERCER

IN THE HOUSE

JANUARY 24, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
JANUARY 25, 1989	FIRST READING.
FEBRUARY 8, 1989	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 9, 1989	PRINTING REPORT.
FEBRUARY 11, 1989	SECOND READING, DO PASS AS AMENDED.
FEBRUARY 13, 1989	ENGROSSING REPORT.
FEBRUARY 14, 1989	THIRD READING, PASSED. AYES, 90; NOES, 6.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 15, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
	FIRST READING.
MARCH 8, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 9, 1989	SECOND READING, CONCURRED IN.
MARCH 11, 1989	THIRD READING, CONCURRED IN. AYES, 42; NOES, 2.
	RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

MARCH 13, 1989	RECEIVED FROM SENATE.
----------------	-----------------------

MARCH 14, 1989

SECOND READING, AMENDMENTS
CONCURRED IN.

THIRD READING, AMENDMENTS
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

House BILL NO. 388

INTRODUCED BY Mercer

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF ROAD IMPROVEMENT DISTRICTS; PROVIDING FOR THE CREATION OF A DISTRICT UPON LANDOWNER PETITION TO THE BOARD OF COUNTY COMMISSIONERS; PROVIDING FOR THE ADMINISTRATION OF THE DISTRICT; AND PROVIDING THAT EACH PARCEL OF LAND IN THE DISTRICT IS TO BE ASSESSED AS EQUALLY AS POSSIBLE FOR IMPROVEMENTS MADE BY THE DISTRICT."

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

NEW SECTION. Section 1. Road improvement district --

purpose. The board of county commissioners may establish road improvement districts. The purpose of a road improvement district is to allow a public entity to assess owners of parcels of land directly benefited by a proposed public road or a public road within the county that is not a county road or a highway to provide for the road's construction, reconstruction, upgrade, repair, or maintenance.

NEW SECTION. Section 2. Creation of road improvement

district -- resolutions -- hearing. (1) The board of county commissioners may establish a road improvement district upon petition of at least 60% of the landowners in the proposed

district. The petition must:

(a) describe the boundaries of the proposed district;

(b) describe the proposed improvement;

(c) estimate the total cost of the improvement and suggest the method of making landowner assessments;

(d) if the improvement is a service, such as snowplowing, estimate the length of time the service is to be provided; and

(e) describe the manner of providing the improvement, such as through contract with a private party or local government.

(2) To establish a road improvement district, the board shall:

(a) pass a resolution of intent to form the district. The notice of intent to form the district must be:

(i) posted at three places within the proposed district;

(ii) published as provided in 7-1-2121; and

(iii) mailed as provided in 7-1-2122 to every person, firm, or corporation or to the agent of the person, firm, or corporation owning real property within the proposed district listed in the name of the person, firm, or corporation upon the last completed assessment roll for state, county, and school district taxes;

(b) (i) hold a public hearing no earlier than 30 days

1 or later than 90 days after passage of the resolution of
2 intent;

3 (ii) accept written protests at the hearing from
4 property owners of the proposed district; and

5 (iii) receive general protests and comments at the
6 hearing relating to the establishment of the road
7 improvement district and its boundaries, service levels, or
8 any other matter relating to the proposed district; and

9 (c) pass a resolution creating the road improvement
10 district. The district is created effective 60 days after
11 passage of the resolution unless by that date more than 50%
12 of the property owners of the proposed road improvement
13 district protest its creation.

14 (3) Based on testimony received in the public hearing,
15 the board in the resolution creating the road improvement
16 district may establish different boundaries or change the
17 manner in which the area will provide services to its
18 residents. The board may change district boundaries only if
19 all landowners affected by the change were given written
20 notice of the public hearing as provided in subsection
21 (2)(a)(iii).

22 (4) The board of county commissioners may alter the
23 boundaries or dissolve a road improvement district, using
24 the same procedures required for the creation of a road
25 improvement district. Any existing indebtedness of a road

1 improvement district that is dissolved remains the
2 responsibility of the owners of property within the
3 district, and any assets remaining after all indebtedness
4 has been satisfied must be returned to the owners of
5 property within the district.

6 NEW SECTION. **Section 3.** Authority to conduct
7 improvements. Upon petition of a majority of the landowners
8 in a road improvement district, a board of county
9 commissioners may authorize the construction,
10 reconstruction, upgrade, repair, maintenance, or other road
11 improvement to be performed by the district. Before the
12 board may authorize the improvement, notice must be mailed
13 to the landowners of the road improvement district, as
14 provided in 7-1-2122, and a public hearing must be held if
15 one is requested in writing by any landowner in the
16 district.

17 NEW SECTION. **Section 4.** Cost of road improvement
18 districts -- property owner assessments. (1) The cost of
19 operating a road improvement district must be assessed upon
20 all the parcels of land in the district as equally as
21 possible. The board may adopt a method of assessment and
22 may, after receipt of a petition signed by a majority of the
23 landowners of the district requesting a change in the method
24 of assessment, change the method of assessment.

25 (2) Not later than the first Monday in September of

1 each year, the board of county commissioners shall adopt a
 2 resolution levying and assessing upon all property in the
 3 district an amount equal to the total amount necessary for
 4 district operations. The amount necessary for district
 5 operations is the total of:

6 (a) (i) the estimated amount for improvements as
 7 authorized in [section 3]; and

8 (ii) the amount necessary to pay for debts for
 9 authorized improvements that cost more than estimated in
 10 previous years;

11 (b) less any amount in the road improvement district
 12 fund, as provided for in [section 5], that may be unspent,
 13 unencumbered, and available for district use.

14 (3) (a) It is the duty of the county treasurer to
 15 collect the assessments in the same manner and at the same
 16 time as taxes for general purposes are collected.

17 (b) When an assessment becomes delinquent, the unpaid
 18 amount becomes a lien on the assessed parcel of land. The
 19 collection of delinquent assessments or enforcement of a
 20 lien may be made by any method authorized by law for the
 21 collection or payment of taxes.

22 NEW SECTION. Section 5. Improvement district
 23 maintenance fund. The money collected from the assessment
 24 provided for in [section 4] must be paid into a road
 25 improvement district fund. Each road improvement district

1 shall have a separate road improvement district fund. The
 2 fund may only be used to pay for expenses incurred by the
 3 district.

-End-

APPROVED BY COMM.
ON LOCAL GOVERNMENT

HOUSE BILL NO. 388

INTRODUCED BY MERCER

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF ROAD IMPROVEMENT DISTRICTS; PROVIDING FOR THE CREATION OF A DISTRICT UPON LANDOWNER PETITION TO THE BOARD OF COUNTY COMMISSIONERS; PROVIDING FOR THE ADMINISTRATION OF THE DISTRICT; AND PROVIDING THAT EACH PARCEL OF LAND IN THE DISTRICT IS TO BE ASSESSED AS EQUALLY AS POSSIBLE FOR IMPROVEMENTS MADE BY THE DISTRICT."

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

NEW SECTION. Section 1. Road improvement district -- purpose. The board of county commissioners may establish road improvement districts IN THOSE AREAS OF THE COUNTY THAT ARE NOT WITHIN THE LIMITS OF AN INCORPORATED CITY OR TOWN.

The purpose of a road improvement district is to allow a public entity to assess owners of parcels of land directly benefited by a proposed public road or a public road within the county that is not a county road or a highway to provide for the road's construction, reconstruction, upgrade, repair, or maintenance. THE COUNTY SURVEYOR MUST DETERMINE THAT IT WOULD BE PHYSICALLY IMPRACTICAL TO IMPROVE THE ROAD TO STANDARD COUNTY ROAD SPECIFICATIONS.

NEW SECTION. Section 2. Creation of road improvement

district -- resolutions -- hearing. (1) The board of county commissioners may establish a road improvement district upon petition of at least 60% of the landowners in the proposed district. The petition must:

(a) describe the boundaries of the proposed district;
(b) describe the proposed improvement;
(c) estimate the total cost of the improvement and suggest the method of making landowner assessments;
(d) if the improvement is a service, such as snowplowing, estimate the length of time the service is to be provided; and

(e) describe the manner of providing the improvement, such as through contract with a private party or local government.

(2) To establish a road improvement district, the board shall:

(a) pass a resolution of intent to form the district. The notice of intent to form the district must be:

(i) posted at three places within the proposed district;

(ii) published as provided in 7-1-2121; and

(iii) mailed as provided in 7-1-2122 to every person, firm, or corporation or to the agent of the person, firm, or corporation owning real property within the proposed district listed in the name of the person, firm, or

corporation upon the last completed assessment roll for state, county, and school district taxes;

(b) (i) hold a public hearing no earlier than 30 days or later than 90 days after passage of the resolution of intent;

(ii) accept written protests at the hearing from property owners of the proposed district; and

(iii) receive general protests and comments at the hearing relating to the establishment of the road improvement district and its boundaries, service levels, or any other matter relating to the proposed district; and

(c) pass a resolution creating the road improvement district. The district is created effective 60 days after passage of the resolution unless by that date more than 50% of the property owners of the proposed road improvement district protest its creation.

(3) Based on testimony received in the public hearing, the board in the resolution creating the road improvement district may establish different boundaries or change the manner in which the area will provide services to its residents. The board may change district boundaries only if all landowners affected by the change were given written notice of the public hearing as provided in subsection (2)(a)(iii).

(4) The board of county commissioners may alter the

boundaries or dissolve a road improvement district, using the same procedures required for the creation of a road improvement district. Any existing indebtedness of a road improvement district that is dissolved remains the responsibility of the owners of property within the district, and any assets remaining after all indebtedness has been satisfied must be returned to the owners of property within the district.

NEW SECTION. **Section 3.** Authority to conduct improvements. Upon petition of a majority of the landowners in a road improvement district, a board of county commissioners may authorize the construction, reconstruction, upgrade, repair, maintenance, or other road improvement to be performed by the district. Before the board may authorize the improvement, notice must be mailed to the landowners of the road improvement district, as provided in 7-1-2122, and a public hearing must be held if one is requested in writing by any landowner in the district.

NEW SECTION. **Section 4.** Cost of road improvement districts -- property owner assessments. (1) The cost of operating a road improvement district must be assessed upon all the parcels of land in the district as equally as possible. The board may adopt a method of assessment and may, after receipt of a petition signed by a majority of the

landowners of the district requesting a change in the method of assessment, change the method of assessment.

(2) Not later than the first Monday in September of each year, the board of county commissioners shall adopt a resolution levying and assessing upon all property in the district an amount equal to the total amount necessary for district operations. The amount necessary for district operations is the total of:

(a) (i) the estimated amount for improvements as authorized in [section 3]; and

(ii) the amount necessary to pay for debts for authorized improvements that cost more than estimated in previous years;

(b) less any amount in the road improvement district fund, as provided for in [section 5], that may be unspent, unencumbered, and available for district use.

(3) (a) It is the duty of the county treasurer to collect the assessments in the same manner and at the same time as taxes for general purposes are collected.

(b) When an assessment becomes delinquent, the unpaid amount becomes a lien on the assessed parcel of land. The collection of delinquent assessments or enforcement of a lien may be made by any method authorized by law for the collection or payment of taxes.

NEW SECTION. Section 5. Improvement district

maintenance fund. The money collected from the assessment provided for in [section 4] must be paid into a road improvement district fund. Each road improvement district shall have a separate road improvement district fund. The fund may only be used to pay for expenses incurred by the district.

-End-

HOUSE BILL NO. 388

INTRODUCED BY MERCER

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE CREATION OF ROAD IMPROVEMENT DISTRICTS; PROVIDING FOR THE CREATION OF A DISTRICT UPON LANDOWNER PETITION TO THE BOARD OF COUNTY COMMISSIONERS; PROVIDING FOR THE ADMINISTRATION OF THE DISTRICT; AND PROVIDING ~~THAT EACH PARCELS~~ OPTIONS FOR THE ASSESSMENT OF LAND IN THE DISTRICT IS TO BE ASSESSED AS EQUALLY AS POSSIBLE FOR IMPROVEMENTS MADE BY THE DISTRICT."

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

NEW SECTION. Section 1. Road improvement district -- purpose. The board of county commissioners may establish road improvement districts IN THOSE AREAS OF THE COUNTY THAT ARE NOT WITHIN THE LIMITS OF AN INCORPORATED CITY OR TOWN.

The purpose of a road improvement district is to allow a public entity to assess owners of parcels of land directly benefited by a proposed public road or a public road within the county that is not a county road or a highway to provide for the road's construction, reconstruction, upgrade, repair, or maintenance. THE COUNTY SURVEYOR MUST DETERMINE THAT IT WOULD BE PHYSICALLY IMPRACTICAL TO IMPROVE THE ROAD TO STANDARD COUNTY ROAD SPECIFICATIONS.

NEW SECTION. Section 2. Creation of road improvement

district -- resolutions -- hearing. (1) The board of county commissioners may establish a road improvement district upon petition of at least 60% of the landowners in the proposed district. The petition must:

(a) describe the boundaries of the proposed district;
(b) describe the proposed improvement;
(c) estimate the total cost of the improvement and suggest the method of making landowner assessments;
(d) if the improvement is a service, such as snowplowing, estimate the length of time the service is to be provided; and

(e) describe the manner of providing the improvement, such as through contract with a private party or local government.

(2) To establish a road improvement district, the board shall:

(a) pass a resolution of intent to form the district. The notice of intent to form the district must be:

(i) posted at three places within the proposed district;

(ii) published as provided in 7-1-2121; and

(iii) mailed as provided in 7-1-2122 to every person, firm, or corporation or to the agent of the person, firm, or corporation owning real property within the proposed district listed in the name of the person, firm, or

1 corporation upon the last completed assessment roll for
2 state, county, and school district taxes;

3 (b) (i) hold a public hearing no earlier than 30 days
4 or later than 90 days after passage of the resolution of
5 intent;

6 (ii) accept written protests at the hearing from
7 property owners of the proposed district; and

8 (iii) receive general protests and comments at the
9 hearing relating to the establishment of the road
10 improvement district and its boundaries, service levels, or
11 any other matter relating to the proposed district; and

12 (c) pass a resolution creating the road improvement
13 district. The district is created effective 60 days after
14 passage of the resolution unless by that date more than 50%
15 of the property owners of the proposed road improvement
16 district protest its creation.

17 (3) Based on testimony received in the public hearing,
18 the board in the resolution creating the road improvement
19 district may establish different boundaries or change the
20 manner in which the area will provide services to its
21 residents. The board may change district boundaries only if
22 all landowners affected by the change were given written
23 notice of the public hearing as provided in subsection
24 (2)(a)(iii).

25 (4) The board of county commissioners may alter the

1 boundaries or dissolve a road improvement district, using
2 the same procedures required for the creation of a road
3 improvement district. Any existing indebtedness of a road
4 improvement district that is dissolved remains the
5 responsibility of the owners of property within the
6 district, and any assets remaining after all indebtedness
7 has been satisfied must be returned to the owners of
8 property within the district.

9 NEW SECTION. Section 3. Authority to conduct
10 improvements. Upon petition of a majority of the landowners
11 in a road improvement district, a board of county
12 commissioners may authorize the construction,
13 reconstruction, upgrade, repair, maintenance, or other road
14 improvement to be performed by the district. Before the
15 board may authorize the improvement, notice must be mailed
16 to the landowners of the road improvement district, as
17 provided in 7-1-2122, and a public hearing must be held if
18 one is requested in writing by any landowner in the
19 district.

20 NEW SECTION. Section 4. Cost of road improvement
21 districts -- property owner assessments. (1) The cost of
22 operating a road improvement district must be assessed upon
23 all the parcels of land in the district as-equally-as
24 possible--The-board-may-adopt-a--method--of--assessment--and
25 may,--after-receipt-of-a-petition-signed-by-a-majority-of-the

~~landowners-of-the-district-requesting-a-change-in-the-method~~
~~of--assessment;--change-the-method-of-assessment.~~ BASED UPON
THE BENEFITS RECEIVED, AND THE BOARD OF COUNTY COMMISSIONERS
SHALL ADOPT ONE OR ANY COMBINATION OF THE FOLLOWING METHODS
OF ASSESSMENT FOR IMPROVEMENTS MADE FOR THE BENEFIT OF THE
DISTRICT:

(A) EACH PARCEL OF LAND ASSESSED IN SUCH DISTRICT MAY
BE ASSESSED WITH THAT PART OF THE WHOLE COST WHICH ITS
ASSESSABLE AREA BEARS TO THE ASSESSABLE AREA OF ALL THE
BENEFITED PARCELS IN THE DISTRICT, EXCLUSIVE OF ROADS AND
PUBLIC PLACES. FOR THE PURPOSES OF THIS SUBSECTION (1)(A),
"ASSESSABLE AREA" MEANS AN AREA OF A PARCEL OF LAND
REPRESENTING THE BENEFIT CONFERRED UPON THE PARCEL BY THE
IMPROVEMENT. ASSESSABLE AREA MAY BE LESS THAN BUT MAY NOT
EXCEED THE ACTUAL AREA OF THE PARCEL.

(B) EACH PARCEL OF LAND ASSESSED IN THE DISTRICT MAY BE
ASSESSED WITH THAT PART OF THE WHOLE COST OF THE IMPROVEMENT
BASED UPON THE ASSESSED VALUE OF THE BENEFITED PARCELS OF
LAND WITHIN SAID DISTRICT, IF THE BOARD DETERMINES SUCH
ASSESSMENT TO BE EQUITABLE IN PROPORTION TO AND NOT
EXCEEDING THE BENEFITS RECEIVED FROM THE IMPROVEMENT BY THE
PARCEL.

(C) EACH PARCEL OF LAND IN THE DISTRICT ABUTTING UPON
THE ROAD WHERE THE IMPROVEMENT HAS BEEN MADE MAY BE ASSESSED
IN PROPORTION TO ITS LINEAL FEET ABUTTING THE ROAD.

(2) THE BOARD MAY USE ONE OR ANY COMBINATION OF METHODS
OF ASSESSMENT IN A SINGLE ROAD IMPROVEMENT DISTRICT AND, IF
MORE THAN ONE IMPROVEMENT IS UNDERTAKEN, NEED NOT ASSESS
EACH PARCEL IN THE DISTRICT FOR THE COST OF ALL THE
IMPROVEMENTS.

~~(2)~~(3) Not later than the first Monday in September of
each year, the board of county commissioners shall adopt a
resolution levying and assessing upon all property in the
district an amount equal to the total amount necessary for
district operations. The amount necessary for district
operations is the total of:

(a) (i) the estimated amount for improvements as
authorized in [section 3]; and

(ii) the amount necessary to pay for debts for
authorized improvements that cost more than estimated in
previous years;

(b) less any amount in the road improvement district
fund, as provided for in [section 5], that may be unspent,
unencumbered, and available for district use.

~~(3)~~(4) (a) It is the duty of the county treasurer to
collect the assessments in the same manner and at the same
time as taxes for general purposes are collected.

(b) When an assessment becomes delinquent, the unpaid
amount becomes a lien on the assessed parcel of land. The
collection of delinquent assessments or enforcement of a

HB 0388/03

1 lien may be made by any method authorized by law for the
2 collection or payment of taxes.

3 NEW SECTION. **Section 5.** Improvement district
4 maintenance fund. The money collected from the assessment
5 provided for in [section 4] must be paid into a road
6 improvement district fund. Each road improvement district
7 shall have a separate road improvement district fund. The
8 fund may only be used to pay for expenses incurred by the
9 district.

-End-

SENATE STANDING COMMITTEE REPORT

page 1 of 2
March 8, 1989

MR. PRESIDENT:

We, your committee on Local Government, having had under consideration HB 388 (third reading copy -- blue), respectfully report that HB 388 be amended and as so amended be concurred in:

Sponsor: Mercer (Harding)

1. Title, line 9.
Following: "OF"
Insert: "BENEFITED"
2. Page 1, line 14.
Following: "purpose"
Insert: "-- benefited property defined"
Following: "purpose."
Insert: "(1)"
3. Page 1, line 17.
Following: line 16
Insert: "(2)"
4. Page 1.
Following: line 24
Insert: "(3) For the purposes of [this act], "benefited property" means land within the district that receives a direct benefit from the road for which the road improvement district was created. A parcel of land is not benefited property if the parcel is within the district solely because the road passes over the property to provide access to benefited property. A parcel of land within the district used solely for agricultural purposes is not considered benefited property."
5. Page 2, line 18.
Strike: "be"
6. Page 2, line 19.
Following: "(1)"
Insert: "be"
7. Page 2, line 21.
Following: "(1)"
Insert: "be"
Strike: "and"
8. Page 2, line 22.
Following: "(11)"
Insert: "be"

SENATE COMMITTEE ON LOCAL GOVERNMENT, HB 388
page 2 of 2

9. Page 3, line 2.
Following: ";"
Insert: "and"
10. Page 3.
Following: line 2
Insert: "(iv) specify the method or methods by which the costs of the improvements shall be assessed against property in the district;"
11. Page 3, lines 14 through 16.
Strike: "more" on line 14 through "district" on line 16
Insert: "the owners of property in the district to be assessed for more than 50% of the cost of the proposed work, in accordance with the method or methods of assessment described in the resolution of intention,"
12. Page 4, line 5.
Following: "owners of"
Insert: "benefited"
13. Page 4, line 23.
Strike: "parcels of land"
Insert: "benefited property"
14. Page 5, lines 7, 12, 16 and 23.
Strike: "LAND"
Insert: "benefited property"
15. Page 6, line 4.
Following: "PARCEL"
Insert: "of benefited property"
16. Page 6, line 8.
Following: "all"
Insert: "the benefited"

AND AS AMENDED BE CONCURRED IN

Signed: Ethel M. Harding
Ethel M. Harding, Chairman

continued

scrhb388.308

SENATE

scrhb388.308
HB 388

1 HOUSE BILL NO. 388

2 INTRODUCED BY MERCER

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE
5 CREATION OF ROAD IMPROVEMENT DISTRICTS; PROVIDING FOR THE
6 CREATION OF A DISTRICT UPON LANDOWNER PETITION TO THE BOARD
7 OF COUNTY COMMISSIONERS; PROVIDING FOR THE ADMINISTRATION OF
8 THE DISTRICT; AND PROVIDING ~~THAT EACH PARCEL~~ OPTIONS FOR THE
9 ASSESSMENT OF BENEFITED LAND IN THE DISTRICT IS TO BE
10 ASSESSED AS EQUALLY AS POSSIBLE FOR IMPROVEMENTS MADE BY THE
11 DISTRICT."

12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 NEW SECTION. Section 1. Road improvement district --
15 purpose -- BENEFITED PROPERTY DEFINED. (1) The board of
16 county commissioners may establish road improvement
17 districts IN THOSE AREAS OF THE COUNTY THAT ARE NOT WITHIN
18 THE LIMITS OF AN INCORPORATED CITY OR TOWN.

19 (2) The purpose of a road improvement district is to
20 allow a public entity to assess owners of parcels of land
21 directly benefited by a proposed public road or a public
22 road within the county that is not a county road or a
23 highway to provide for the road's construction,
24 reconstruction, upgrade, repair, or maintenance. THE COUNTY
25 SURVEYOR MUST DETERMINE THAT IT WOULD BE PHYSICALLY

1 IMPRACTICAL TO IMPROVE THE ROAD TO STANDARD COUNTY ROAD
2 SPECIFICATIONS.

3 (3) FOR THE PURPOSES OF [THIS ACT], "BENEFITED
4 PROPERTY" MEANS LAND WITHIN THE DISTRICT THAT RECEIVES A
5 DIRECT BENEFIT FROM THE ROAD FOR WHICH THE ROAD IMPROVEMENT
6 DISTRICT WAS CREATED. A PARCEL OF LAND IS NOT BENEFITED
7 PROPERTY IF THE PARCEL IS WITHIN THE DISTRICT SOLELY BECAUSE
8 THE ROAD PASSES OVER THE PROPERTY TO PROVIDE ACCESS TO
9 BENEFITED PROPERTY. A PARCEL OF LAND WITHIN THE DISTRICT
10 USED SOLELY FOR AGRICULTURAL PURPOSES IS NOT CONSIDERED
11 BENEFITED PROPERTY.

12 NEW SECTION. Section 2. Creation of road improvement
13 district -- resolutions -- hearing. (1) The board of county
14 commissioners may establish a road improvement district upon
15 petition of at least 60% of the landowners in the proposed
16 district. The petition must:

- 17 (a) describe the boundaries of the proposed district;
18 (b) describe the proposed improvement;
19 (c) estimate the total cost of the improvement and
20 suggest the method of making landowner assessments;
21 (d) if the improvement is a service, such as
22 snowplowing, estimate the length of time the service is to
23 be provided; and
24 (e) describe the manner of providing the improvement,
25 such as through contract with a private party or local

1 government.

2 (2) To establish a road improvement district, the
3 board shall:

4 (a) pass a resolution of intent to form the district.

5 The notice of intent to form the district must be:

6 (i) BE posted at three places within the proposed
7 district;

8 (ii) BE published as provided in 7-1-2121; and

9 (iii) BE mailed as provided in 7-1-2122 to every
10 person, firm, or corporation or to the agent of the person,
11 firm, or corporation owning real property within the
12 proposed district listed in the name of the person, firm, or
13 corporation upon the last completed assessment roll for
14 state, county, and school district taxes; AND

15 (IV) SPECIFY THE METHOD OR METHODS BY WHICH THE COSTS
16 OF THE IMPROVEMENTS ARE ASSESSED AGAINST PROPERTY IN THE
17 DISTRICT;

18 (b) (i) hold a public hearing no earlier than 30 days
19 or later than 90 days after passage of the resolution of
20 intent;

21 (ii) accept written protests at the hearing from
22 property owners of the proposed district; and

23 (iii) receive general protests and comments at the
24 hearing relating to the establishment of the road
25 improvement district and its boundaries, service levels, or

1 any other matter relating to the proposed district; and

2 (c) pass a resolution creating the road improvement
3 district. The district is created effective 60 days after
4 passage of the resolution unless by that date ~~more than 50%~~
5 ~~of the property owners of the proposed road improvement~~
6 district THE OWNERS OF PROPERTY IN THE DISTRICT TO BE
7 ASSESSED FOR MORE THAN 50% OF THE COST OF THE PROPOSED WORK,
8 IN ACCORDANCE WITH THE METHOD OR METHODS OF ASSESSMENT
9 DESCRIBED IN THE RESOLUTION OF INTENTION, protest its
10 creation.

11 (3) Based on testimony received in the public hearing,
12 the board in the resolution creating the road improvement
13 district may establish different boundaries or change the
14 manner in which the area will provide services to its
15 residents. The board may change district boundaries only if
16 all landowners affected by the change were given written
17 notice of the public hearing as provided in subsection
18 (2)(a)(iii).

19 (4) The board of county commissioners may alter the
20 boundaries or dissolve a road improvement district, using
21 the same procedures required for the creation of a road
22 improvement district. Any existing indebtedness of a road
23 improvement district that is dissolved remains the
24 responsibility of the owners of BENEFITED property within
25 the district, and any assets remaining after all

indebtedness has been satisfied must be returned to the owners of property within the district.

NEW SECTION. Section 3. Authority to conduct improvements. Upon petition of a majority of the landowners in a road improvement district, a board of county commissioners may authorize the construction, reconstruction, upgrade, repair, maintenance, or other road improvement to be performed by the district. Before the board may authorize the improvement, notice must be mailed to the landowners of the road improvement district, as provided in 7-1-2122, and a public hearing must be held if one is requested in writing by any landowner in the district.

NEW SECTION. Section 4. Cost of road improvement districts -- property owner assessments. (1) The cost of operating a road improvement district must be assessed upon all the ~~parcels-of-land~~ BENEFITED PROPERTY in the district ~~as--equally--as--possible--The--board--may--adopt--a--method--of--assessment--and--may--after--receipt--of--a--petition--signed--by--a--majority--of--the--landowners--of--the--district--requesting--a--change--in--the--method--of--assessment--change--the--method--of--assessment.~~ BASED UPON THE BENEFITS RECEIVED, AND THE BOARD OF COUNTY COMMISSIONERS SHALL ADOPT ONE OR ANY COMBINATION OF THE FOLLOWING METHODS OF ASSESSMENT FOR IMPROVEMENTS MADE FOR THE BENEFIT OF THE DISTRICT:

(A) EACH PARCEL OF LAND BENEFITED PROPERTY ASSESSED IN SUCH DISTRICT MAY BE ASSESSED WITH THAT PART OF THE WHOLE COST WHICH ITS ASSESSABLE AREA BEARS TO THE ASSESSABLE AREA OF ALL THE BENEFITED PARCELS IN THE DISTRICT, EXCLUSIVE OF ROADS AND PUBLIC PLACES. FOR THE PURPOSES OF THIS SUBSECTION (1)(A), "ASSESSABLE AREA" MEANS AN AREA OF A PARCEL OF LAND BENEFITED PROPERTY REPRESENTING THE BENEFIT CONFERRED UPON THE PARCEL BY THE IMPROVEMENT. ASSESSABLE AREA MAY BE LESS THAN BUT MAY NOT EXCEED THE ACTUAL AREA OF THE PARCEL.

(B) EACH PARCEL OF LAND BENEFITED PROPERTY ASSESSED IN THE DISTRICT MAY BE ASSESSED WITH THAT PART OF THE WHOLE COST OF THE IMPROVEMENT BASED UPON THE ASSESSED VALUE OF THE BENEFITED PARCELS OF LAND WITHIN SAID DISTRICT, IF THE BOARD DETERMINES SUCH ASSESSMENT TO BE EQUITABLE IN PROPORTION TO AND NOT EXCEEDING THE BENEFITS RECEIVED FROM THE IMPROVEMENT BY THE PARCEL.

(C) EACH PARCEL OF LAND BENEFITED PROPERTY IN THE DISTRICT ABUTTING UPON THE ROAD WHERE THE IMPROVEMENT HAS BEEN MADE MAY BE ASSESSED IN PROPORTION TO ITS LINEAL FEET ABUTTING THE ROAD.

(2) THE BOARD MAY USE ONE OR ANY COMBINATION OF METHODS OF ASSESSMENT IN A SINGLE ROAD IMPROVEMENT DISTRICT AND, IF MORE THAN ONE IMPROVEMENT IS UNDERTAKEN, NEED NOT ASSESS EACH PARCEL OF BENEFITED PROPERTY IN THE DISTRICT FOR THE COST OF ALL THE IMPROVEMENTS.

1 ~~†2†~~(3) Not later than the first Monday in September of
 2 each year, the board of county commissioners shall adopt a
 3 resolution levying and assessing upon all THE BENEFITED
 4 property in the district an amount equal to the total amount
 5 necessary for district operations. The amount necessary for
 6 district operations is the total of:

7 (a) (i) the estimated amount for improvements as
 8 authorized in [section 3]; and

9 (ii) the amount necessary to pay for debts for
 10 authorized improvements that cost more than estimated in
 11 previous years;

12 (b) less any amount in the road improvement district
 13 fund, as provided for in [section 5], that may be unspent,
 14 unencumbered, and available for district use.

15 ~~†3†~~(4) (a) It is the duty of the county treasurer to
 16 collect the assessments in the same manner and at the same
 17 time as taxes for general purposes are collected.

18 (b) When an assessment becomes delinquent, the unpaid
 19 amount becomes a lien on the assessed parcel of land. The
 20 collection of delinquent assessments or enforcement of a
 21 lien may be made by any method authorized by law for the
 22 collection or payment of taxes.

23 NEW SECTION. **Section 5.** Improvement district
 24 maintenance fund. The money collected from the assessment
 25 provided for in [section 4] must be paid into a road

1 improvement district fund. Each road improvement district
 2 shall have a separate road improvement district fund. The
 3 fund may only be used to pay for expenses incurred by the
 4 district.

-End-