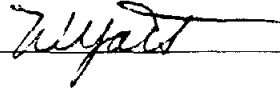


House BILL NO. 586

INTRODUCED BY



A BILL FOR AN ACT ENTITLED: "AN ACT LIMITING CERTAIN COUNTY MILL LEVIES TO THE TAXABLE VALUE OF PROPERTY LOCATED OUTSIDE OF INCORPORATED CITIES AND TOWNS; PROVIDING THAT THE LIMITATION APPLIES TO THE COUNTY GENERAL FUND LEVY, THE COUNTY PUBLIC SAFETY LEVY, THE COUNTY ALL-PURPOSE LEVY, COUNTY HIGHWAY AND BRIDGE LEVIES, THE COUNTY PUBLIC FERRY LEVY, THE COUNTY PORTION OF THE RECREATIONAL ACTIVITIES FOR THE ELDERLY LEVY, THE COUNTY PARKS, CULTURAL, SOCIAL, AND RECREATIONAL ACTIVITIES LEVY, THE COUNTY PORTION OF THE LEVY FOR TRAINING DAY-CARE OPERATORS AND EMPLOYEES, THE COUNTY AGRICULTURE AND HOME ECONOMICS LEVY, THE COUNTY INSECT PEST CONTROL LEVY, THE COUNTY FIRE CONTROL ACTIVITIES LEVY, THE COUNTY NOXIOUS WEED FUND LEVY, THE COUNTY PORTION OF THE AMBULANCE SERVICE LEVY, THE SPECIAL COUNTY BOARD OF HEALTH LEVY, THE COUNTY PORTION OF THE OPEN-SPACE LAND AND VOLUNTARY CONSERVATION EASEMENT ACT LEVY, THE COUNTY PUREBRED LIVESTOCK SALES AND SHOWS LEVY, AND THE WEATHER MODIFICATION AUTHORITY LEVY; PROVIDING THAT CURRENT LEVIES WITHIN A CITY OR TOWN MAY CONTINUE IF THE REVENUE FROM THE LEVY IS NECESSARY FOR THE REPAYMENT OF A BOND ISSUE; PROVIDING AN APPROPRIATION; AMENDING SECTIONS 7-6-2321, 7-6-2501, 7-6-2502, 7-6-2513, 7-6-2522, 7-14-2502, 7-14-2504, 7-14-2807, 7-16-101, 7-16-2102, 7-16-2108, 7-21-3203, 7-22-2142, 7-22-2306, 7-33-2209, 7-34-102, 50-2-114, 76-6-109, 81-8-504, AND 85-3-422, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 7-6-2321, MCA, is amended to read:

"7-6-2321. Fixing of tax levy. (1) On or before the second Monday in August and after the approval and adoption of the final budget, the board of county commissioners shall fix the tax levy for each fund at a rate ~~which~~ that will raise the amount set out in the budget as the amount necessary to be raised by tax levy for the fund during the current fiscal year. The taxable valuation of the ~~county~~ property subject to taxation for the fund for the current fiscal year ~~shall~~ must be the basis for determining the amount of the tax levy for each fund. Each tax levy ~~shall~~ must be at a rate no higher than is required on that basis,

1 without including any amount for anticipated tax delinquency, to produce the amount set out in the budget,
 2 without including any amount for anticipated tax delinquency, as being the amount to be raised by tax levy.

3 (2) The tax levy ~~shall~~ must be made in the manner provided by 15-10-201."
 4

5 **Section 2.** Section 7-6-2501, MCA, is amended to read:

6 **"7-6-2501. Authorization for county mill levy.** The board of county commissioners has jurisdiction
 7 and power, under ~~such~~ limitations and reservations as that are prescribed by law, to levy ~~such a~~ tax
 8 annually on the taxable property of the county that is not located within the limits of an incorporated city
 9 or town for county purposes as may be necessary to defray the current expenses ~~thereof~~ of the county,
 10 including the salaries otherwise unprovided for, not exceeding 27 mills on each dollar of the taxable
 11 valuation for any ~~one~~ 1 year for counties of the fourth, fifth, sixth, and seventh classes and 25 mills on
 12 each dollar of the taxable valuation for any ~~one~~ 1 year for counties of the first, second, and third classes
 13 and to levy ~~such~~ the taxes as that are required to be levied by special or local statutes."
 14

15 **Section 3.** Section 7-6-2502, MCA, is amended to read:

16 **"7-6-2502. Responsibility of county commissioners to fix tax rate and levy tax.** The board of
 17 county commissioners of each county ~~must~~ shall, on the second Monday in August, fix the rate of county
 18 taxes and designate the number of mills on each dollar of valuation of property subject to taxation for each
 19 fund and ~~must~~ shall levy taxes upon the appropriate taxable property of the county."
 20

21 **Section 4.** Section 7-6-2513, MCA, is amended to read:

22 **"7-6-2513. County public safety levy -- purpose.** The board of county commissioners may, annually
 23 at the time of levying county taxes, fix and levy a tax on all property within the county that is not within
 24 the limits of an incorporated city or town for the purpose of providing for the public safety of citizens. The
 25 tax must be used to support county law enforcement services and to maintain county detention centers."
 26

27 **Section 5.** Section 7-6-2522, MCA, is amended to read:

28 **"7-6-2522. All-purpose levy -- maximum.** (1) The all-purpose levy is an annual levy upon the
 29 taxable value of all property in the county that is not within the limits of an incorporated city or town and
 30 that is subject to taxation for county purposes in lieu of the levies specified in 7-6-2523. The all-purpose

1 levy may not exceed the lesser of:

2 (a) 55 mills on the dollar; or

3 (b) the total number of mills levied in the prior year pursuant to the levies set forth in 7-6-2523 as
4 certified by the department of revenue under 15-10-202.

5 (2) If the county governing body determines that the interests of the county would be served by
6 an all-purpose levy, it shall specify its intent to impose the all-purpose levy in the resolution approving and
7 adopting the annual budget."

8

9 **Section 6.** Section 7-14-2502, MCA, is amended to read:

10 **"7-14-2502. Special bridge tax authorized -- combined ferry and bridge fund.** (1) Each board may
11 levy a special tax not to exceed 8 mills on all taxable property in the county that is not within the limits of
12 an incorporated city or town for the purpose of constructing, maintaining, and repairing free public bridges,
13 ~~which includes those bridges within the municipalities.~~

14 (2) An additional levy for these purposes may be made under the following conditions:

15 (a) In any county where the taxable value of property in that county that is not within the limits
16 of an incorporated city or town is \$20 million or less, the board may, if necessary, levy 1 mill.

17 (b) In counties where the taxable value of property in that county that is not within the limits of
18 an incorporated city or town is not less than \$20 million or more than \$40 million, the board may, if
19 necessary, levy 2 mills.

20 (3) For the purposes of this section, a free public bridge is defined as any drainage structure
21 located on, over, or through any road or highway.

22 (4) These taxes must be levied and collected in the same manner as other taxes. Except that when
23 the county has a combined ferry and bridge fund, the money ~~shall~~ must be kept as a special bridge fund,
24 subject to the order of the board for use as ~~herein~~ provided in this section, and ~~shall~~ is not be transferable
25 to any other fund.

26 (5) If a county owns or operates a public ferry, the board may combine into a single fund the
27 revenue from the county public ferry tax levy authorized in 7-14-2807, the revenue from the special
28 municipal bridge levy authorized in 7-14-2503, and the revenue from the levy authorized by this section.
29 The fund may be used for any lawful purpose authorized for bridges in this part or in Title 7, chapter 14,
30 part 22, or for public ferries in Title 7, chapter 14, part 28."

1 **Section 7.** Section 7-14-2504, MCA, is amended to read:

2 **"7-14-2504. Additional road and bridge construction tax -- election required.** (1) Each board may
3 make an additional levy upon the taxable property in the county that is not within the limits of an
4 incorporated city or town of 10 mills or less for constructing public highways and bridges.

5 (2) Before the additional levy may be made, the question ~~shall~~ must be submitted to a vote of the
6 people residing in the county but not residing within the limits of an incorporated city or town at some
7 general or special election in the following form, inserting the number of mills to be levied and the name
8 of the county:

9 "Shall there be an additional levy of mills upon the taxable property that is not within the limits
10 of incorporated cities or towns in the county of, state of Montana, for the purpose of constructing
11 public highways and bridges?

12 YES

13 NO".

14 (3) A majority of the votes cast ~~shall be~~ is necessary to permit the additional levy, which ~~shall~~ must
15 be collected in the same manner as other road taxes."

16
17 **Section 8.** Section 7-14-2807, MCA, is amended to read:

18 **"7-14-2807. Tax levy for public ferry -- combined ferry and bridge fund.** (1) If a county owns or
19 operates a public ferry, the board of county commissioners may levy a special tax, not to exceed 2 mills
20 on the dollar, on the taxable property of the county that is not within the limits of an incorporated city or
21 town for the purpose of constructing, maintaining, and repairing public ferries.

22 (2) The board may combine the revenue from the tax authorized in this section with ~~revenues~~
23 revenue from taxes to support bridges as provided in 7-14-2502."

24
25 **Section 9.** Section 7-16-101, MCA, is amended to read:

26 **"7-16-101. Creation of funds for recreational and other activities of elderly by local governments.**

27 (1) The governing body of a city, county, town, or municipality may in its discretion establish a fund to
28 promote, establish, and maintain recreational, educational, and other activities of the elderly by a levy of
29 up to 1 mill on each dollar of taxable property, ~~which~~ that is within its limits or, in the case of a county,
30 of taxable property that is not within the limits of an incorporated city or town. The tax levy ~~shall be~~ is in

1 addition to all other tax levies.

2 (2) The governing body ~~shall have~~ has the power, by resolution, to make expenditures from the
3 fund ~~as it may from time to time determine~~. Expenditures ~~shall~~ must be made for the promotion and
4 development of recreational, educational, and other activities of the elderly, including motivation of the use
5 of the talents of the elderly.

6 (3) The governing body may make payment of expenditures to nonprofit corporations or
7 associations engaged in aiding the activities."
8

9 **Section 10.** Section 7-16-2102, MCA, is amended to read:

10 **"7-16-2102. Authorization for tax levy for parks and certain cultural, social, and recreational**
11 **facilities.** (1) The board of county commissioners may annually levy on the taxable property of the county
12 that is not within the limits of an incorporated city or town, in the same manner and at the same time as
13 other county taxes are levied, a special tax, not to exceed 2 mills on each dollar of the taxable valuation
14 for any ~~one~~ 1 year, for the purpose of maintaining, operating, and equipping parks, cultural facilities, and
15 any county-owned civic center, youth center, recreation center, recreational complex, or any combination
16 ~~thereof~~ of those facilities.

17 (2) (a) The board of county commissioners ~~must~~ shall submit the question of imposing or the
18 continued imposition of the property tax mill levy provided in subsection (1) to the electors of the county
19 not residing within the limits of an incorporated city or town at the next general election if a petition
20 requesting ~~such~~ an election, signed by at least 15% of the ~~resident~~ taxpayers of the county not residing
21 within the limits of an incorporated city or town, is filed with the county clerk. The petition must be filed
22 with the county clerk at least 90 days prior to the date of the general election.

23 (b) The question ~~will~~ must be submitted substantially as follows:

24 [] FOR the imposition (or continued imposition) of a property tax, not to exceed 2 mills, for
25 county parks and for county-owned cultural, social, and recreational facilities.

26 [] AGAINST the imposition (or continued imposition) of a property tax for county parks and
27 for county-owned cultural, social, and recreational facilities.

28 (c) The board of county commissioners shall levy ~~such a~~ the tax for the 2 subsequent fiscal years
29 if the question for the imposition of the tax is approved by a majority of the electors voting on the question.

30 (3) All laws applicable to the collection of county taxes shall apply to the collection of the tax

1 provided ~~herein~~ for in this section."

2
3 **Section 11.** Section 7-16-2108, MCA, is amended to read:

4 **"7-16-2108. Authorization to levy tax and establish fund for establishment and maintenance of**
5 **programs and employee training for day-care facilities.** (1) The governing body of a county, city, town, or
6 municipality may in its discretion establish a fund to establish and maintain programs for the operation of
7 licensed day-care centers and homes within the geographic boundaries of the governing body or, in the
8 case of a county, within the county but outside the limits of any incorporated city or town. The governing
9 body may by a levy of up to 1 mill on each dollar of the applicable taxable property of said governing body
10 the local government unit. The tax levy ~~shall be~~ is in addition to all other tax levies.

11 (2) The governing body ~~shall have the power~~ may, by resolution, ~~to~~ make expenditures from the
12 fund as it may ~~from time to time~~ determine, provided that expenditures ~~shall~~ must be made solely for the
13 establishment, maintenance, and development of programs for and training of operators and employees of
14 day-care centers and homes."

15
16 **Section 12.** Section 7-21-3203, MCA, is amended to read:

17 **"7-21-3203. Support of extension work in agriculture and home economics.** (1) The county
18 commissioners of ~~any~~ a county may appropriate money from the general funds of the county treasury or
19 from funds provided by special levy on the taxable valuation of property of the county that is not within
20 the limits of an incorporated city or town, which the county commissioners are ~~hereby~~ authorized to make
21 at the same time as other levies for county purposes, for the purpose of carrying on extension work in
22 agriculture and home economics within the county in cooperation with Montana state university and the
23 United States department of agriculture.

24 (2) The amount of ~~such~~ the appropriation in any county, its method of expenditure, the
25 responsibility for the direction of the work, and the procedure of appointing agents and the compensation
26 and conditions of service of ~~such~~ the agents ~~shall~~ must be covered in ~~memoranda~~ a memorandum of
27 agreement between the county commissioners and Montana state university."

28
29 **Section 13.** Section 7-22-2306, MCA, is amended to read:

30 **"7-22-2306. Financing of insect pest control program.** (1) The governing body of the county shall

1 annually determine the amount of the warrants drawn on the general fund for the purposes of controlling
2 insect pests under a control program approved by the department of agriculture.

3 (2) In the succeeding year, the governing body shall levy a tax for the purpose of insect pest
4 extermination sufficient to reimburse the general fund for ~~the~~ money paid out on the warrants. The tax ~~shall~~
5 may be levied upon the taxable value of all the property in the county that is not within the limits of an
6 incorporated city or town and ~~shall~~ may not exceed 3 mills on each dollar of taxable value.

7 (3) If there is no money in the general fund with which to pay ~~such~~ the warrants, they ~~shall~~ must
8 be registered and bear interest in the same manner as other county warrants. In this case, the interest ~~shall~~
9 be is computed and added to the amount for which ~~such~~ the tax is levied."

10
11 **Section 14.** Section 7-33-2209, MCA, is amended to read:

12 **"7-33-2209. Finance of fire control activities.** (1) The county governing body is authorized to
13 appropriate funds for the purchase, care, and maintenance of firefighting equipment or for the payment of
14 wages in prevention, detection, and suppression of fires.

15 (2) If the general fund is budgeted to the full limit, the county governing body may, at any time
16 fixed by law for levy and assessment of taxes, levy a tax on the taxable value of all property in the county
17 that is not within the limits of an incorporated city or town of up to 2 mills or at a rate that will raise
18 \$15,000, whichever is higher."

19
20 **Section 15.** Section 7-22-2142, MCA, is amended to read:

21 **"7-22-2142. Sources of money for noxious weed fund.** (1) The commissioners may create the
22 noxious weed fund and provide sufficient money in the fund for the board to fulfill its duties, as specified
23 in 7-22-2109, by:

24 (a) appropriating money from the general fund of the county;
25 (b) at any time fixed by law for levy and assessment of taxes, levying a tax not exceeding 2 mills
26 on the dollar of ~~total~~ the taxable valuation value of all taxable property in the county that is not located
27 within the limits of an incorporated city or town. The tax levied under this subsection must be identified
28 on the assessment as the tax that will be used for noxious weed control.

29 (c) levying a tax in excess of 2 mills if authorized by a majority of the qualified electors residing
30 in the county but not residing within the limits of an incorporated city or town voting in an election held

1 for this purpose pursuant to 7-6-2531 through 7-6-2536.

2 (2) The proceeds of the noxious weed control tax must be used solely for the purpose of managing
3 noxious weeds in the county and must be designated to the noxious weed fund.

4 (3) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be
5 available for reuse within that fiscal year or any subsequent year.

6 (4) The commissioners may accept any private, state, or federal gifts, grants, contracts, or other
7 funds to aid in the management of noxious weeds within the district. These funds must be placed in the
8 noxious weed fund."

9

10 **Section 16.** Section 7-34-102, MCA, is amended to read:

11 **"7-34-102. Special mill levy permitted.** (1) In addition to all other levies authorized by law, each
12 county, city, or town may levy an annual tax of up to 1 mill on the dollar of the taxable value of all taxable
13 property within the city or town or, in the case of a county, of all taxable property that is not within the
14 limits of an incorporated city or town, ~~city, or town~~ to defray the costs incurred in providing ambulance
15 service.

16 (2) In addition to the levy authorized by subsection (1), a county, city, or town may levy an
17 additional 2 mills for the support of ambulance services if, at a regularly scheduled election, the electorate
18 of the city or town or, in the case of a county, the electorate that does not reside within the limits of an
19 incorporated city or town, ~~city, or town~~ approves the imposition of the additional levy."

20

21 **Section 17.** Section 50-2-114, MCA, is amended to read:

22 **"50-2-114. Special mill levy.** If the general fund of a city or county is not sufficient to meet the
23 approved budget, a levy of not more than 1 mill may be made on the taxable valuation of all property in
24 the city or, in the case of a county, of all property that is not within the limits of an incorporated city or
25 town in addition to all other levies authorized by law. This section does not apply when the board has been
26 financed under 50-2-111(2)."

27

28 **Section 18.** Section 76-6-109, MCA, is amended to read:

29 **"76-6-109. Powers of public bodies.** (1) A public body ~~shall have~~ has all the powers necessary or
30 convenient to carry out the purposes and provisions of this chapter, including the following powers in

1 addition to others granted by this chapter:

2 (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;

3 (b) to advance or accept advances of public funds;

4 (c) to apply for and accept and ~~utilize~~ use grants and any other assistance from the federal
5 government and any other public or private sources, to give ~~such~~ security as may be required, to enter into
6 and carry out contracts or agreements in connection with the assistance, and to include in any contract
7 for assistance from the federal government ~~such~~ the conditions imposed pursuant to federal laws ~~as~~ that
8 the public body may ~~deem~~ consider reasonable and appropriate and ~~which~~ that are not inconsistent with
9 the purposes of this chapter;

10 (d) to make and execute contracts and other instruments necessary or convenient to the exercise
11 of its powers under this chapter;

12 (e) in connection with the real property acquired or designated for the purposes of this chapter,
13 to provide or to arrange or contract for the provision, construction, maintenance, operation, or repair by
14 any person or agency, public or private, of services, privileges, works, streets, roads, public utilities, or
15 other facilities or structures that may be necessary to the provision, preservation, maintenance, and
16 management of the property as open-space land;

17 (f) to insure or provide for the insurance of any real or personal property or operations of the public
18 body against any risks or hazards, including the power to pay premiums on the insurance;

19 (g) to demolish or dispose of any structures or facilities ~~which~~ that may be detrimental to or
20 inconsistent with the use of real property as open-space land; and

21 (h) to exercise any or all of its functions and powers under this chapter jointly or cooperatively with
22 public bodies of one or more states, if they are ~~se~~ authorized by state law, and with one or more public
23 bodies of this state and to enter into agreements for joint or cooperative action.

24 (2) For the purposes of this chapter, the state or a city, town, other municipality, or county may:

25 (a) appropriate funds;

26 (b) levy taxes and assessments according to existing codes and statutes not to exceed 1 mill on
27 the taxable value of all property within its limits or, in the case of a county, of all property that is not within
28 the limits of an incorporated city or town;

29 (c) issue and sell its general obligation bonds in the manner and within the limitations prescribed
30 by the applicable laws of the state; and

1 (d) exercise its powers under this chapter through a board or commission or through ~~such~~ the
2 office or officers as its governing body by resolution determines or as the governor determines in the case
3 of the state."

4
5 **Section 19.** Section 81-8-504, MCA, is amended to read:

6 **"81-8-504. Tax levy authorized.** For the purpose of defraying the costs of ~~such~~ purebred livestock
7 shows and ~~such~~ purebred livestock sales, the county commissioners ~~are authorized and empowered to~~ may
8 levy annually a tax not to exceed one-fourth of a mill on the taxable property of the county that is not
9 within the limits of an incorporated city or town, in excess of the amount levied for county purposes, ~~which~~
10 ~~taxes~~ that shall must be paid into the general fund of the county."

11
12 **Section 20.** Section 85-3-422, MCA, is amended to read:

13 **"85-3-422. Tax certified by weather modification authority -- disposition of proceeds.** (1) The
14 authority may certify annually to the board of county commissioners a tax of not to exceed 2 mills upon
15 the taxable valuation of the property in the county that is not within the limits of an incorporated city or
16 town for a weather modification fund. The tax must be levied by the board of county commissioners and
17 may be levied in excess of the mill levy limit fixed by law for taxes for general county purposes. The
18 weather modification fund may be used only for weather modification activities as provided by 85-3-424.
19 The tax certified by the authority is limited to the period of existence of the authority.

20 (2) The money in the weather modification fund must be invested to earn interest at the rate most
21 advantageous to the fund, consistent with law and prudent business practice."

22
23 **NEW SECTION. Section 21. Continuation of complete county levy to pay bonds.** If all or a portion
24 of a countywide levy permitted under [this act] was committed prior to [the effective date of this section]
25 to the payment of principal or interest or both principal and interest on a bond issue, the levy or that portion
26 of the levy necessary for payment of the bond issue may continued to be levied against property within the
27 limits of the cities and towns within the county until the bond obligation is extinguished.

28
29 **NEW SECTION. Section 22. Appropriation.** There is appropriated from the general fund to the
30 department of justice, \$66,000 for the fiscal year ending June 30, 1996, and \$66,000 for the fiscal year

1 ending June 30, 1997. The appropriation is to be used in the legal services division to provide expanded
2 and expedited services to counties, cities, and towns relating to interlocal agreements, multijurisdictional
3 service districts, and issuance of opinions related to [this act]. This extra service is intended to help provide
4 a method for counties and cities and towns to provide nonduplicative services to their residents in a flexible
5 and cost-effective manner.

6
7 **NEW SECTION. Section 23. Severability.** If a part of [this act] is invalid, all valid parts that are
8 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its
9 applications, the part remains in effect in all valid applications that are severable from the invalid
10 applications.

11

12 **NEW SECTION. Section 24. Effective date.** [This act] is effective July 1, 1995.

13

-END-