



AN ACT GENERALLY REVISING LAWS APPLICABLE TO COUNTY GOVERNMENT; AMENDING THE THRESHOLD FOR CERTAIN LOCAL GOVERNMENT AUDITS; AMENDING THE DEFINITION OF "POLITICAL SUBDIVISION"; REQUIRING CERTAIN BOARDS, DISTRICTS, AND COMMISSIONS TO SUBMIT THEIR MINUTES TO THE COUNTY CLERK AND RECORDER FOR ELECTRONIC STORAGE AT NO COST; REQUIRING A PUBLIC LOCATION FOR POSTING COUNTY INFORMATION; ADJUSTING RESIDENCY REQUIREMENTS FOR COUNTY COMMISSIONERS; PROVIDING FOR APPOINTMENT TO FILL A VACANCY CREATED BY A NONPARTISAN COMMISSIONER; AMENDING THE REQUIREMENTS FOR SETTING CONSOLIDATED OFFICE SALARIES; REQUIRING THAT A PLAN BE ADOPTED FOR A CAPITAL IMPROVEMENT FUND; REMOVING THE REQUIREMENT THAT A COUNTY TREASURER MAKE AN ANNUAL FINANCIAL REPORT TO THE COUNTY SUPERINTENDENT; AMENDING REQUIREMENTS CONCERNING WHEN A COUNTY MUST SUBMIT INDEBTEDNESS OR LIABILITY TO A VOTE OF THE ELECTORS OF THE COUNTY; REVISING THE ALLOWABLE METHODS OF ASSESSMENT FOR SPECIAL DISTRICTS; REVISING DEADLINES FOR A RESOLUTION LEVYING COSTS IN A LIGHTING DISTRICT; REVISING COUNTY LAND AND ROAD SURVEYOR REQUIREMENTS AND COUNTY ENGINEER REQUIREMENTS; REVISING THE BODY EMPLOYING A WEED COORDINATOR; REVISING THE GROUNDS FOR TERMINATION AND WRITTEN NOTICE REQUIREMENTS FOR TERMINATION OF A DEPUTY SHERIFF; REPEALING REQUIREMENTS CONCERNING COUNTY TREASURER RECEIPTS; REPEALING CERTAIN REQUIREMENTS WITH RESPECT TO INCREASING PROPERTY TAXES; AMENDING SECTIONS 2-7-503, 2-9-101, 7-4-2104, 7-4-2106, 7-4-2312, 7-4-2631, 7-4-2801, 7-6-616, 7-6-2801, 7-7-2101, 7-11-1024, 7-12-2202, 7-14-2606, 7-22-2101, 7-32-2107, 7-32-2108, AND 20-9-212, MCA; REPEALING SECTIONS 7-6-2116 AND 15-10-203, MCA; AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 2-7-503, MCA, is amended to read:

"2-7-503. Financial reports and audits of local government entities. (1) The governing body or

managing or executive officer of a local government entity, other than a school district or associated cooperative, shall ensure that a financial report is made every year. A school district or associated cooperative shall comply with the provisions of 20-9-213. The financial report must cover the preceding fiscal year, be in a form prescribed by the department, and be completed and submitted to the department for review within 6 months of the end of the reporting period.

(2) The department shall prescribe a uniform reporting system for all local government entities subject to financial reporting requirements, other than school districts. The superintendent of public instruction shall prescribe the reporting requirements for school districts.

(3) (a) The governing body or managing or executive officer of each local government entity receiving revenue or financial assistance in the period covered by the financial report in excess of ~~the threshold dollar amount established by the director of the office of management and budget pursuant to 31 U.S.C. 7502(a)(3)~~ \$500,000, but regardless of the source of revenue or financial assistance, shall cause an audit to be made at least every 2 years. The audit must cover the entity's preceding 2 fiscal years. The audit must commence within 9 months from the close of the last fiscal year of the audit period. The audit must be completed and submitted to the department for review within 1 year from the close of the last fiscal year covered by the audit.

(b) The governing body or managing or executive officer of a local government entity that does not meet the criteria established in subsection (3)(a) shall at least once every 4 years, if directed by the department, or, in the case of a school district, if directed by the department at the request of the superintendent of public instruction, cause a financial review, as defined by department rule, to be conducted of the financial statements of the entity for the preceding fiscal year.

(4) An audit conducted in accordance with this part is in lieu of any financial or financial and compliance audit of an individual financial assistance program that a local government is required to conduct under any other state or federal law or regulation. If an audit conducted pursuant to this part provides a state agency with the information that it requires to carry out its responsibilities under state or federal law or regulation, the state agency shall rely upon and use that information to plan and conduct its own audits or reviews in order to avoid a duplication of effort.

(5) In addition to the audits required by this section, the department may at any time conduct or contract for a special audit or review of the affairs of any local government entity referred to in this part. The special audit or review must, to the extent practicable, build upon audits performed pursuant to this part.

(6) The fee for the special audit or review must be a charge based upon the costs incurred by the department in relation to the special audit or review. The audit fee must be paid by the local government entity to the department of revenue and must be deposited in the enterprise fund to the credit of the department.

(7) Failure to comply with the provisions of this section subjects the local government entity to the penalties provided in 2-7-517."

Section 2. Section 2-9-101, MCA, is amended to read:

"2-9-101. Definitions. As used in parts 1 through 3 of this chapter, the following definitions apply:

(1) "Claim" means any claim against a governmental entity, for money damages only, that any person is legally entitled to recover as damages because of personal injury or property damage caused by a negligent or wrongful act or omission committed by any employee of the governmental entity while acting within the scope of employment, under circumstances where the governmental entity, if a private person, would be liable to the claimant for the damages under the laws of the state. For purposes of this section and the limit of liability contained in 2-9-108, all claims that arise or derive from personal injury to or death of a single person, or damage to property of a person, regardless of the number of persons or entities claiming damages, are considered one claim.

(2) (a) "Employee" means an officer, employee, or servant of a governmental entity, including elected or appointed officials, and persons acting on behalf of the governmental entity in any official capacity temporarily or permanently in the service of the governmental entity whether with or without compensation.

(b) The term does not mean a person or other legal entity while acting in the capacity of an independent contractor under contract to the governmental entity to which parts 1 through 3 apply in the event of a claim.

(3) "Governmental entity" means the state and political subdivisions.

(4) "Personal injury" means any injury resulting from libel, slander, malicious prosecution, or false arrest and any bodily injury, sickness, disease, or death sustained by any person and caused by an occurrence for which the state may be held liable.

(5) "Political subdivision" means any county, city, municipal corporation, school district, special improvement or taxing district, ~~or other political subdivision or public corporation,~~ or any entity created by agreement between two or more political subdivisions.

(6) "Property damage" means injury or destruction to tangible property, including loss of use of the

property, caused by an occurrence for which the state may be held liable.

(7) "State" means the state of Montana or any office, department, agency, authority, commission, board, institution, hospital, college, university, or other instrumentality of the state."

Section 3. Board minutes. An administrative board, district, or commission created under 7-1-201 through 7-1-203 shall submit the minutes of its proceedings within 30 days after the minutes have been approved by that body for electronic storage and retention in accordance with the provisions of Title 2, chapter 6, part 4. The administrative board, district, or commission shall submit the minutes for electronic storage to the county clerk and recorder of each county within the jurisdiction of the administrative board, district, or commission.

Section 4. Posting. (1) The governing body shall specify by resolution a public location for posting information and shall order erected a suitable posting board.

(2) When posting is required, a copy of the document must be placed on the posting board, and a copy must be available at the office of the county clerk and recorder.

Section 5. Section 7-4-2104, MCA, is amended to read:

"7-4-2104. Commissioners to be elected by district. (1) At each general election, the member or members of the board of county commissioners to be elected must be selected from the residents and electors of the district or districts in which the vacancy occurs, but the election of the member or members of the board must be submitted to the entire electorate of the county unless otherwise provided for under:

- (a) a plan of government provided for in a county adopting an optional or alternative form of government;
- or
- (b) a court order.

(2) A person may not be elected as a member of a board of county commissioners unless the person has resided in the county and the district for at least 2 years immediately preceding the general election."

Section 6. Section 7-4-2106, MCA, is amended to read:

"7-4-2106. Vacancy on board of county commissioners -- resigning member not to participate in filling pending vacancy. (1) For the purposes of this part, "vacancy" has the same meaning as prescribed in

2-16-501.

(2) Whenever a vacancy occurs in the board of county commissioners from a failure to elect or otherwise, the remaining county commissioners shall fill the vacancy and the appointee shall hold office until the next general election unless otherwise provided in subsection (3) or (4). The procedure to be used to fill the vacancy is as follows:

(a) If the former incumbent represented a party eligible for a primary election under 13-10-601, the county central committee of that party shall submit to the remaining commissioners three names of people who have lived in the unrepresented district for at least 2 years immediately preceding the day the vacancy occurs. The remaining commissioners shall appoint one of these three to fill the vacancy. Whenever the remaining commissioners are unable to elect an appointee from the submitted list, they shall request a second list of three names from the county central committee. The second list may not contain any of the names submitted on the first list. The remaining commissioners shall then select an appointee from the individuals named on both lists.

(b) If the former incumbent was independent, nonpartisan, or ~~was~~ originally nominated by a party that does not meet the requirements of 13-10-601 or if the vacancy occurs from a failure to elect, the remaining commissioners shall invite applications for the vacancy in a notice published as provided in 13-1-108 and shall accept an application from any person who has lived in the unrepresented district for at least 2 years immediately preceding the day the vacancy occurs. The remaining commissioners shall appoint one of these applicants to fill the vacancy.

(3) Whenever a vacancy occurs prior to August 1 before the general election held during the second or fourth year of the term, an individual must be elected to complete the term at that general election. The election procedure to be used to elect the successor is as follows:

(a) Whenever the vacancy occurs prior to March 1 before the primary election during the second or fourth year of the term, the same procedure must be used as is used to elect county commissioners to full 6-year terms.

(b) Whenever the vacancy occurs on or after March 1 preceding the primary election, any political party desiring to enter a candidate in the general election shall select a candidate as provided in 13-38-204. A political party shall notify the county election administrator of the party nominee. A person desiring to be a candidate as an independent shall follow the procedures provided in 13-10-501 and 13-10-502. The petition for an independent candidate must be filed with the county election administrator prior to August 1 before the general election. A

candidate for a nonpartisan office shall file as provided in Title 13, chapter 14.

(4) Whenever a vacancy occurs after July 31 preceding the general election held during the fourth year of the term, the person appointed by the remaining county commissioners under subsection (2) shall serve until the end of the term.

(5) (a) If multiple vacancies occur simultaneously so that a quorum cannot be established, the county compensation board provided for in 7-4-2503 shall, subject to subsection (5)(c) of this section, appoint enough commissioners to allow for a quorum to be established. The vacancies must be filled in the order in which the commissioners' terms would have expired.

(b) If vacancies occur at different times but, because appointments have not yet been made, a quorum cannot be established, the county compensation board shall, subject to subsection (5)(c), appoint enough commissioners to allow for a quorum to be established. The county compensation board shall appoint each commissioner in the order that the vacancy occurred.

(c) (i) A commissioner appointed under this subsection (5) must meet the residency requirement in 7-4-2104(2) and must be from the same district as the commissioner being replaced.

(ii) If a commissioner being replaced represented a party eligible for a primary election under 13-10-601, the county central committee of that party shall, within 30 days of the occurrence of the vacancy, submit to the county compensation board three names of people who have lived in the unrepresented district for at least 2 years immediately prior to the occurrence of the vacancy. The county compensation board shall appoint each commissioner from the list of names provided by the county central committee.

(d) Once a quorum can be established, the county commissioners forming the quorum shall appoint the remaining commissioners as provided in this section.

(e) If a county compensation board does not exist, appointments under this subsection (5) must be made by a district judge having jurisdiction in the county.

(6) If a member of the board of county commissioners has submitted the member's resignation as provided in 2-16-502 or if proceedings have begun to remove the member from office under 2-16-501, that member may not be considered to be a remaining member of the commission as provided in this section and may not participate in filling the vacancy to be created when the resignation becomes effective."

Section 7. Section 7-4-2312, MCA, is amended to read:

"7-4-2312. Salary and bond of officer following consolidation. (1) (a) When two or more offices are consolidated under a single officer, the officer must receive a salary determined by the board or boards of county commissioners. However, the salary may not be more than 20% higher than the highest salary provided by law to be paid to any officer whose duties the officer is required to perform by reason of the consolidations.

(b) The board or boards shall, in conjunction with setting elected officials' salaries as provided in 7-4-2503, ~~annually~~ adopt a resolution fixing the percentage adjustment of the salary of the officer holding the consolidated office for the term beginning ~~with the first Monday in January 1~~ immediately following the adoption of the resolution. The board shall adopt the resolution for the subsequent term of the consolidated office prior to the first day of candidate filing for that term.

(2) The officer shall give a bond in an amount equal to the highest bond required by law of any officer whose duties the officer is required to perform by reason of the consolidation of offices."

Section 8. Section 7-4-2631, MCA, is amended to read:

"7-4-2631. Fees of county clerk. (1) Except as provided in 7-2-2803(4), 7-4-2632, and 7-4-2637, the county clerks shall charge, for the use of their respective counties:

(a) for filing and indexing each writ of attachment, execution, certificate of sale, lien, or other instrument required by law to be filed and indexed, \$5;

(b) for filing of subdivision and townsite plats, \$10 plus:

(i) for each lot up to and including 100, 50 cents;

(ii) for each additional lot in excess of 100, 25 cents;

(c) for filing certificates of surveys and amendments thereto, \$25 plus 50 cents per tract or lot;

(d) for each page of a document required to be recorded with a subdivision, townsite plat, or certificate of survey, \$1;

(e) for a copy of a record or paper:

(i) for the first page of any document, 50 cents, and 25 cents for each subsequent page; and

(ii) for each certification with seal affixed, \$2;

(f) for searching an index record of files of the office for each year when required in abstracting or otherwise, 50 cents;

(g) for administering an oath with certificate and seal, no charge;

- (h) for taking and certifying an acknowledgment, with seal affixed, for signature to it, no charge;
- (i) for filing, indexing, or other services provided for by Title 30, chapter 9A, part 5, the fees prescribed under those sections;
- (j) for recording each stock subscription and contract, stock certificate, and articles of incorporation for water users' associations, \$3;
- (k) for filing a copy of notarial commission and issuing a certificate of official character of such notary public, \$2;
- (l) for each certified copy of a birth certificate, \$5, and for each certified copy of a death certificate, \$3;
- (m) for electronic storage of minutes of an administrative board, district, or commission pursuant to [section 3], [section 13], [section 20], or [section 22], no charge;
- ~~(m)~~(n) for filing, recording, or indexing any other instrument not expressly provided for in this section or 7-4-2632, the same fee provided in this section or 7-4-2632 for a similar service.

(2) The county clerks shall charge, for the use of their respective counties, the fee as provided in 7-4-2632 for recording and indexing the following:

- (a) each certificate of location of a quartz or placer mining claim or millsite claim, including a certificate that the instrument has been recorded with the seal affixed; and
- (b) each affidavit of annual labor on a mining claim, including a certificate that the instrument has been recorded with the seal affixed.

(3) State agencies submitting documents to be put of record shall pay the fees provided for in this section. If a state agency or political subdivision has requested an account with the county clerk, any applicable fees must be paid on a periodic basis."

Section 9. Section 7-4-2801, MCA, is amended to read:

"7-4-2801. Qualifications for county surveyor and deputies. (1) Except as provided in subsection (3), a county surveyor must be a ~~registered~~ professional engineer as defined in 37-67-101 or ~~registered~~ professional land surveyor as defined in 37-67-101. ~~who has been in active practice of the profession for at least 3 years and who has had responsible charge of work as principal or assistant for at least 1 year. Graduation from a school of engineering or land surveying is considered as equivalent to 2 years of active practice.~~

(2) All deputies must also have a practical knowledge of engineering or land surveying.

(3) When the office of county surveyor is consolidated with another county office within the county, the requirements of subsection (1) are waived. Unless the officeholder has the qualifications prescribed in subsection (1), the officer shall, with the approval of the governing body, contract for the services of a person with those qualifications to perform the duties of county surveyor."

Section 10. Section 7-6-616, MCA, is amended to read:

"7-6-616. Capital improvement funds. (1) A county, municipal, or special district governing body may establish a capital improvement fund for the replacement, improvement, and acquisition of property, facilities, or equipment that costs in excess of \$5,000 and that has a life expectancy of 5 years or more.

(2) A capital improvement fund ~~and plan for the fund~~ must be formally adopted by the county, municipal, or special district governing body.

(3) The capital improvement fund may receive money from any source, including funds that have been allocated in any year but have not been expended or encumbered by the end of the fiscal year.

(4) Money in the capital improvement fund must be invested as provided by law, and interest and income from the investment of the capital improvement fund must be credited to the fund."

Section 11. Section 7-6-2801, MCA, is amended to read:

"7-6-2801. Management of school funds. The county treasurer shall:

(1) keep all school money in a separate fund and keep a separate account of its disbursement to the several school districts that are entitled to receive it, according to the apportionment of the county superintendent of schools;

(2) notify the county superintendent of the amount of the county school fund in the county treasury subject to apportionment, whenever required, and inform the superintendent of the amount of school money belonging to any other fund subject to apportionment, or as otherwise provided by law; and

(3) pay all warrants drawn on county or district school money, in accordance with the provisions of law, whenever the warrants are countersigned by the district clerk and properly endorsed by the holders;

~~(4) make annually, during the month of September, a financial report for the preceding year ending August 31 to the county superintendent, in a form required by the superintendent."~~

Section 12. Section 7-7-2101, MCA, is amended to read:

"7-7-2101. Limitation on amount of county indebtedness. (1) A county may not issue bonds or incur other indebtedness for any purpose in an amount, including existing indebtedness, that in the aggregate exceeds 2.5% of the total assessed value of taxable property, determined as provided in 15-8-111, within the county as ascertained by the last assessment for state and county taxes.

~~— (2) Except as provided in 7-7-2402, a county may not incur indebtedness or liability for any single purpose to an amount exceeding \$500,000 without the approval of a majority of the electors of the county voting at an election as provided by law.~~

~~(3)(2)~~ This section does not apply to the acquisition of conservation easements as set forth in Title 76, chapter 6."

Section 13. Minutes. The board or governing body administering and operating the special district as provided by 7-11-1021 shall submit the minutes of its proceedings for electronic storage as provided in [section 3] unless:

- (1) the special district is operated by the governing body of a municipality; and
- (2) the governing body has designated an alternative place for the minutes to be recorded or maintained.

Section 14. Section 7-11-1024, MCA, is amended to read:

"7-11-1024. Financing for special district. (1) The governing body shall make assessments or impose fees for the costs and expenses of the special district based upon a budget proposed by the governing body or separate board administering the district pursuant to 7-11-1021.

(2) For the purposes of this section, "assessable area" means the portion of a lot or parcel of land that is benefited by the special district. The assessable area may be less than but may not exceed the actual area of the lot or parcel.

(3) The governing body shall assess the percentage of the cost of the program or improvements:

(a) against the entire district as follows:

(i) each lot or parcel of land within the special district may be assessed for that part of the cost that its assessable area bears to the assessable area of the entire special district, exclusive of roads, streets, avenues, alleys, and public places;

(ii) if the governing body determines that the benefits derived from the program or improvements by each lot or parcel are substantially equivalent, the cost may be assessed equally to each lot or parcel located within the special district without regard to the assessable area of the lot or parcel;

(iii) each lot or parcel of land, including the improvements on the lot or parcel, may be assessed for that part of the cost of the special district that its taxable valuation bears to the total taxable valuation of the property of the district;

(iv) each lot or parcel of land may be assessed based on the lineal front footage of any part of the lot or parcel that is in the district and abuts the area to be improved or maintained;

(v) each lot or parcel of land within the district may be assessed for that part of the cost that the reasonably estimated vehicle trips generated for a lot or parcel of its size in its zoning classification bear to the reasonably estimated vehicle trips generated for all lots in the district based on their size and zoning classification;

(vi) each lot or parcel of land within the district may be assessed based on each family residential unit or one or more business units; or

~~(vii)~~(vii) any combination of the assessment options provided in subsections (3)(a)(i) through ~~(3)(a)(v)~~ (3)(a)(vi) may be used for the special district as a whole; or

(b) based upon the character, kind, and quality of service for a residential or commercial unit, taking into consideration:

- (i) the nature of the property or entity assessed;
- (ii) a calculated basis for the program or service, including volume or weight;
- (iii) the cost, incentives, or penalties applicable to the program or service practices; or
- (iv) any combination of these factors.

(4) If property created as a condominium is subject to assessment, each unit within the condominium is considered a separate parcel of real property subject to separate assessment and the lien of the assessment. Each unit must be assessed for the unit's percentage of undivided interest in the common elements of the condominium. The percentage of the undivided ownership interest must be as set forth in the condominium declaration."

Section 15. Section 7-12-2202, MCA, is amended to read:

"7-12-2202. Apportionment of costs of maintaining lighting system. (1) The cost of the maintenance

and operating service to a lighting rural improvement district may be apportioned among the various tracts of land within the district:

(a) in proportion to the assessed value of the lands within the district, as determined by the board of county commissioners;

(b) by assessing the cost equally against each of the lots or parcels located within the district;

(c) at the option of the board and as determined by the board, in proportion to the lineal front footage of each tract, any part of which is in the district and abuts the street or roadway along which the lighting system is to be maintained; or

(d) in proportion to the area, as determined by the board, of that portion of each tract included in the district.

(2) (a) ~~Before~~ By the later of the first Monday of Thursday after the first Tuesday in September of each year or 30 days after receiving certified taxable values, the board shall pass and finally adopt a resolution levying and assessing upon all the property within the district an amount equal to the whole cost of maintaining the lighting system. The levy and assessment must be proportioned against the tracts of land in the district as provided in this part.

(b) The resolution levying assessments to defray the cost of maintenance must be prepared and certified to in the same manner as a resolution levying assessments for making, constructing, and installing improvements in the district."

Section 16. Section 7-14-2606, MCA, is amended to read:

"7-14-2606. Survey of road. (1) The board may order the county surveyor; or, if the county surveyor is not a professional land surveyor, some other competent professional land surveyor ~~if the county surveyor is incompetent,~~ to survey and plat the road. The surveyor shall file the surveyor's field notes with the county clerk and recorder.

~~(2) The surveyor must receive \$7 a day and actual traveling expenses.~~

(2) As used in this section, "professional land surveyor" has the meaning provided in 37-67-101."

Section 17. Section 7-22-2101, MCA, is amended to read:

"7-22-2101. Definitions. As used in this part, unless the context indicates otherwise, the following

definitions apply:

- (1) "Board" means a district weed board created under 7-22-2103.
- (2) "Commissioners" means the board of county commissioners.
- (3) "Coordinator" means the person employed by the ~~board~~ county to conduct the district noxious weed management program and supervise other district employees.
- (4) "Department" means the department of agriculture provided for in 2-15-3001.
- (5) "District" means a weed management district organized under 7-22-2102.
- (6) "Native plant" means a plant indigenous to the state of Montana.
- (7) "Native plant community" means an assemblage of native plants occurring in a natural habitat.
- (8) (a) "Noxious weeds" or "weeds" means any exotic plant species established or that may be introduced in the state that may render land unfit for agriculture, forestry, livestock, wildlife, or other beneficial uses or that may harm native plant communities and that is designated:
 - (i) as a statewide noxious weed by rule of the department; or
 - (ii) as a district noxious weed by a board, following public notice of intent and a public hearing.
- (b) A weed designated by rule of the department as a statewide noxious weed must be considered noxious in every district of the state.
- (9) "Person" means an individual, partnership, corporation, association, or state or local government agency or subdivision owning, occupying, or controlling any land, easement, or right-of-way, including any county, state, or federally owned and controlled highway, drainage or irrigation ditch, spoil bank, barrow pit, or right-of-way for a canal or lateral.
- (10) "Weed management" or "control" means the planning and implementation of a coordinated program for the containment, suppression, and, where possible, eradication of noxious weeds."

Section 18. Section 7-32-2107, MCA, is amended to read:

"7-32-2107. Tenure for deputy sheriffs -- grounds for termination of employment -- restrictions on evaluations. (1) A deputy sheriff shall continue in service until relieved of employment in the manner provided in this part and only for ~~one or more of the following specified causes:~~

- ~~— (a) conviction of a felony subsequent to the commencement of employment;~~
- ~~— (b) willful disobedience of an order or orders given by the sheriff;~~

- ~~_____ (c) drinking intoxicating liquor while in uniform or while on official duty or being intoxicated in a public place while in uniform or while on official duty;~~
- ~~_____ (d) sleeping while on duty;~~
- ~~_____ (e) incapacity materially affecting ability to perform official duties; or~~
- ~~_____ (f) gross inefficiency in the performance of official duties good cause as defined in 39-2-903.~~

(2) Quotas for investigative stops, citations, or arrests may not be established and may not be used in evaluating deputies."

Section 19. Section 7-32-2108, MCA, is amended to read:

"7-32-2108. Written notice of termination of employment required. When a sheriff terminates the employment of a deputy, the sheriff shall at the time of termination cause to be served upon the deputy a statement in writing, ~~subscribed and sworn to by the sheriff,~~ setting forth the cause or causes for the discharge or termination of the deputy's employment."

Section 20. Minutes. The board administering and operating the district shall submit the minutes of its proceedings for electronic storage as provided in [section 3].

Section 21. Section 20-9-212, MCA, is amended to read:

"20-9-212. Duties of county treasurer. The county treasurer of each county:

(1) must receive and shall hold all school money subject to apportionment and keep a separate accounting of its apportionment to the several districts that are entitled to a portion of the money according to the apportionments ordered by the county superintendent or by the superintendent of public instruction. A separate accounting must be maintained for each county fund supported by a countywide levy for a specific, authorized purpose, including:

- (a) the basic county tax for elementary equalization;
- (b) the basic county tax for high school equalization;
- (c) the county tax in support of the transportation schedules;
- (d) the county tax in support of the elementary and high school district retirement obligations; and
- (e) any other county tax for schools, including the community colleges, that may be authorized by law

and levied by the county commissioners.

(2) whenever requested, shall notify the county superintendent and the superintendent of public instruction of the amount of county school money on deposit in each of the funds enumerated in subsection (1) and the amount of any other school money subject to apportionment and apportion the county and other school money to the districts in accordance with the apportionment ordered by the county superintendent or the superintendent of public instruction;

(3) shall keep a separate accounting of the receipts, expenditures, and cash balances for each fund;

(4) except as otherwise limited by law, shall pay all warrants properly drawn on the county or district school money;

(5) must receive all revenue collected by and for each district and shall deposit these receipts in the fund designated by law or by the district if a fund is not designated by law. Interest and penalties on delinquent school taxes must be credited to the same fund and district for which the original taxes were levied.

(6) shall send all revenue received for a joint district, part of which is situated in the county, to the county treasurer designated as the custodian of the revenue, no later than December 15 of each year and every 3 months after that date until the end of the school fiscal year;

(7) at the direction of the trustees of a district, shall assist the district in the issuance and sale of tax and revenue anticipation notes as provided in Title 7, chapter 6, part 11;

(8) shall register district warrants drawn on a budgeted fund in accordance with 7-6-2604 when there is insufficient money available in all funds of the district to make payment of the warrant. Redemption of registered warrants must be made in accordance with ~~7-6-2446~~, 7-6-2605; and 7-6-2606.

(9) when directed by the trustees of a district, shall invest the money of the district within 3 working days of the direction;

(10) each month, shall give to the trustees of each district an itemized report for each fund maintained by the district, showing the paid warrants, registered warrants, interest distribution, amounts and types of revenue received, and the cash balance;

(11) shall remit promptly to the department of revenue receipts for the county tax for a vocational-technical program within a unit of the university system when levied by the board of county commissioners under the provisions of 20-25-439;

(12) shall invest the money received from the basic county taxes for elementary and high school

equalization, the county levy in support of the elementary and high school district retirement obligations, and the county levy in support of the transportation schedules within 3 working days of receipt. The money must be invested until the working day before it is required to be distributed to school districts within the county or remitted to the state. Clerks of a school district shall provide a minimum of 30 hours' notice in advance of cash demands to meet payrolls, claims, and electronic transfers that are in excess of \$50,000, pursuant to 20-3-325. If a clerk of a district fails to provide the required 30-hour notice, the county treasurer shall assess a fee equal to any charges demanded by the state investment pool or other permissible investment manager for improperly noticed withdrawal of funds. Permissible investments are specified in 20-9-213(4). All investment income must be deposited, and credited proportionately, in the funds established to account for the taxes received for the purposes specified in subsections (1)(a) through (1)(d).

(13) shall remit on a monthly basis to the department of revenue, as provided in 15-1-504, all county equalization revenue received under the provisions of 20-9-331 and 20-9-333, including all interest earned, in repayment of the state advance for county equalization prescribed in 20-9-347. Any funds in excess of a state advance must be used as required in 20-9-331(1)(b) and 20-9-333(1)(b)."

Section 22. Minutes. The board of supervisors shall submit the minutes of its proceedings for electronic storage within 30 days after the minutes have been approved by that body for electronic storage and retention in accordance with the provisions of Title 2, chapter 6, part 4. The board of supervisors shall submit the minutes for electronic storage to the county clerk and recorder of each county within the jurisdiction of the district.

Section 23. Repealer. The following sections of the Montana Code Annotated are repealed:

- 7-6-2116. Receipt for money paid to county treasurer.
15-10-203. Increase of tax revenue -- advertisement of intention and public hearing required.

Section 24. Codification instruction. (1) [Section 3] is intended to be codified as an integral part of Title 7, chapter 1, part 2, and the provisions of Title 7, chapter 1, part 2, apply to [section 3].

(2) [Section 4] is intended to be codified as an integral part of Title 7, chapter 1, part 21, and the provisions of Title 7, chapter 1, part 21, apply to [section 4].

(3) [Section 13] is intended to be codified as an integral part of Title 7, chapter 11, part 10, and the

provisions of Title 7, chapter 11, part 10, apply to [section 13].

(4) [Section 20] is intended to be codified as an integral part of Title 7, chapter 13, part 23, and the provisions of Title 7, chapter 13, part 23, apply to [section 20].

(5) [Section 20] is intended to be codified as an integral part of Title 7, chapter 22, part 21, and the provisions of Title 7, chapter 22, part 21, apply to [section 20].

(6) [Section 20] is intended to be codified as an integral part of Title 7, chapter 33, part 21, and the provisions of Title 7, chapter 33, part 21, apply to [section 20].

(7) [Section 22] is intended to be codified as an integral part of Title 76, chapter 15, part 3, and the provisions of Title 76, chapter 15, part 3, apply to [section 22].

Section 25. Effective date. [This act] is effective July 1, 2015.

- END -

I hereby certify that the within bill,
HB 0334, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2015.

President of the Senate

Signed this _____ day
of _____, 2015.

HOUSE BILL NO. 334
INTRODUCED BY R. COOK

AN ACT GENERALLY REVISING LAWS APPLICABLE TO COUNTY GOVERNMENT; AMENDING THE THRESHOLD FOR CERTAIN LOCAL GOVERNMENT AUDITS; AMENDING THE DEFINITION OF "POLITICAL SUBDIVISION"; REQUIRING CERTAIN BOARDS, DISTRICTS, AND COMMISSIONS TO SUBMIT THEIR MINUTES TO THE COUNTY CLERK AND RECORDER FOR ELECTRONIC STORAGE AT NO COST; REQUIRING A PUBLIC LOCATION FOR POSTING COUNTY INFORMATION; ADJUSTING RESIDENCY REQUIREMENTS FOR COUNTY COMMISSIONERS; PROVIDING FOR APPOINTMENT TO FILL A VACANCY CREATED BY A NONPARTISAN COMMISSIONER; AMENDING THE REQUIREMENTS FOR SETTING CONSOLIDATED OFFICE SALARIES; REQUIRING THAT A PLAN BE ADOPTED FOR A CAPITAL IMPROVEMENT FUND; REMOVING THE REQUIREMENT THAT A COUNTY TREASURER MAKE AN ANNUAL FINANCIAL REPORT TO THE COUNTY SUPERINTENDENT; AMENDING REQUIREMENTS CONCERNING WHEN A COUNTY MUST SUBMIT INDEBTEDNESS OR LIABILITY TO A VOTE OF THE ELECTORS OF THE COUNTY; REVISING THE ALLOWABLE METHODS OF ASSESSMENT FOR SPECIAL DISTRICTS; REVISING DEADLINES FOR A RESOLUTION LEVYING COSTS IN A LIGHTING DISTRICT; REVISING COUNTY LAND AND ROAD SURVEYOR REQUIREMENTS AND COUNTY ENGINEER REQUIREMENTS; REVISING THE BODY EMPLOYING A WEED COORDINATOR; REVISING THE GROUNDS FOR TERMINATION AND WRITTEN NOTICE REQUIREMENTS FOR TERMINATION OF A DEPUTY SHERIFF; REPEALING REQUIREMENTS CONCERNING COUNTY TREASURER RECEIPTS; REPEALING CERTAIN REQUIREMENTS WITH RESPECT TO INCREASING PROPERTY TAXES; AMENDING SECTIONS 2-7-503, 2-9-101, 7-4-2104, 7-4-2106, 7-4-2312, 7-4-2631, 7-4-2801, 7-6-616, 7-6-2801, 7-7-2101, 7-11-1024, 7-12-2202, 7-14-2606, 7-22-2101, 7-32-2107, 7-32-2108, AND 20-9-212, MCA; REPEALING SECTIONS 7-6-2116 AND 15-10-203, MCA; AND PROVIDING AN EFFECTIVE DATE.