



AN ACT AUTHORIZING A COUNTY WATER AND/OR SEWER DISTRICT TO PURSUE CONSOLIDATION WITH A MUNICIPALITY WHEN MORE THAN 60% OF THE DISTRICT'S CUSTOMERS RESIDE WITHIN THE MUNICIPALITY'S CITY LIMITS AND THE DISTRICT PURCHASES ITS WATER FROM THE MUNICIPALITY; PROVIDING A REQUIREMENT FOR THE CONSOLIDATION PLAN; AND PROVIDING FOR THE DISTINCTION CONSIDERATION OF AND OUTCOMES FOR A DISTRICT TERRITORY WITHIN CITY LIMITS AND OUTSIDE OF CITY LIMITS.

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

Section 1. Consolidation plan. (1) If more than 60% of a district's customers reside within the city limits of a municipality and the district purchases its water from the municipality, the district may initiate a consolidation plan with the municipality.

(2) The consolidation plan must:

(a) provide for adjustment of existing bonded indebtedness and other obligations in a manner that will provide for a fair and equitable distribution of the burden of debt service;

(b) provide for the establishment of the service areas;

(c) outline the transfer or other disposition of property and other rights, claims, or assets of consolidation under this section;

(d) provide for the transfer, reorganization, dissolution, absorption, or other adjustment of boundaries as necessary;

(e) consider separately the disposition of the district territory within the city limits and the district territory outside of the city limits; and

(f) include any other provisions that are consistent with state law.

(3) The consolidation plan may grant the municipality the authority to transfer all rights-of-way or

other entities without requiring the municipality to hold a referendum.

(4) If the district territory outside of the city limits is not consolidated into the municipal facilities under this section, the district shall:

- (a) continue to operate services for the territory outside of the city limits; or
- (b) request the board of county commissioners to assume the district's provision of services and financial obligations for the territory outside of the city limits.

Section 2. Codification instruction. [Section 1] 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 1].

- END -

I hereby certify that the within bill,
HB 675, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2023.

President of the Senate

Signed this _____ day
of _____, 2023.

HOUSE BILL NO. 675

INTRODUCED BY L. BREWSTER

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