

HOUSE BILL NO. 534

INTRODUCED BY B. TSCHIDA

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS GOVERNING MUNICIPAL FIRE DEPARTMENTS; ALLOWING A MUNICIPALITY TO DETERMINE HOW TO PROVIDE FIRE PROTECTION; ALLOWING A MUNICIPALITY TO, UNDER CERTAIN CIRCUMSTANCES, SUBMIT TO THE ELECTORATE THE QUESTION OF DISSOLVING THE MUNICIPAL FIRE DEPARTMENT AND ANNEXING TO A RURAL FIRE DISTRICT FOR FIRE PROTECTION SERVICES; REQUIRING A MUNICIPAL GOVERNING BODY AND A RURAL FIRE DISTRICT GOVERNING BODY TO AGREE TO SUBMIT THE QUESTION TO THE ELECTORS; REQUIRING A PLAN FOR DISSOLUTION OF THE MUNICIPAL FIRE DEPARTMENT AND THE ANNEXATION TO THE RURAL FIRE DISTRICT; REQUIRING NOTICE AND A PUBLIC HEARING; AND AMENDING SECTIONS 7-2-4734, 7-33-2128, AND 7-33-4101, MCA."

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

NEW SECTION. Section 1. Municipal fire protection through rural fire district -- election -- transition -- governance. (1) Upon an affirmative vote of a municipal governing body and a rural fire district governing body, the municipal governing body may, after providing public notice and holding a public hearing, submit to the electors of the municipality the question of dissolving the municipal fire department and annexing to the rural fire district for the provision of fire protection services. Subject to the provisions of this section, a municipality may annex to a rural fire district for the provision of fire protection services upon an affirmative vote of the majority of the municipality's electors.

(2) Within 14 days after the date on which the governing bodies vote to propose the annexation, notice of the proposal must be published as provided in 7-1-4127. A public hearing must be held before the municipal governing body.

(3) At the time the municipal and the rural fire district governing bodies vote to propose the annexation, the governing bodies shall also adopt a plan for dissolution of the municipal fire department and assumption of fire protection services by the rural fire district. The plan must include:

(a) a timetable for annexation;

(b) a map of the boundaries of the rural fire district after annexation occurs;

1 (c) the estimated financial impact of the annexation on the average taxpayer in the proposed district; and

2 (d) the process for disposition of paid municipal fire department staff and the transfer to the rural fire
3 district of municipal fire department equipment, facilities, finances, and any warrant or bonded indebtedness.

4 (4) The rural fire district must be governed under the provisions of Title 7, chapter 33, part 21. Residents
5 of the municipality are eligible to serve on the rural fire district's board of trustees.

6 (5) If there is not an affirmative vote of the majority of the electors of the municipality to dissolve the
7 municipal fire department and annex to the rural fire district, the municipal fire department remains intact and is
8 subject to the provisions of this part.

9
10 **Section 2.** Section 7-2-4734, MCA, is amended to read:

11 **"7-2-4734. Standards to be met before annexation can occur.** A municipal governing body may
12 extend the municipal corporate limits to include any area that meets the following standards:

13 (1) The area must be contiguous to the municipality's boundaries at the time the annexation proceeding
14 is begun.

15 (2) No part of the area may be included within the boundary of another incorporated municipality.

16 (3) The area must be included within and the proposed annexation must conform to a growth policy
17 adopted pursuant to Title 76, chapter 1.

18 (4) (a) If fire protection services in the area to be annexed have been provided by a fire district organized
19 under Title 7, chapter 33, part 21, the plan must:

20 (i) include provisions for coordinating the transfer of fire protection services to the municipality and
21 compensating the district, if necessary, for equipment and district expenses; or

22 (ii) provide for the municipality to annex to the fire district pursuant to [section 1].

23 (b) Upon transfer of fire protection services to a municipality under subsection (4)(a)(i), the existing
24 boundaries of a rural fire district may be altered or the fire district may be dissolved ~~as provided in 7-33-2401.~~"

25
26 **Section 3.** Section 7-33-2128, MCA, is amended to read:

27 **"7-33-2128. Dissolution of fire district.** (1) Subject to subsection (2), a fire district organized under this
28 part may be dissolved by the board of county commissioners upon presentation of a petition for dissolution signed
29 by the owners of 40% or more of the real property in the area and owners of property representing 40% or more
30 of the taxable value of property in the area. The procedure and requirements provided in 7-33-2101 through

7-33-2103 apply to requests for dissolution of fire districts.

(2) A board of county commissioners may not dissolve a fire district that includes territory within the limits of an incorporated ~~third-class~~ city or town unless the dissolution is approved by the governing body of the city or town."

Section 4. Section 7-33-4101, MCA, is amended to read:

"7-33-4101. Fire department authorized and protection required. ~~In every~~ (1) Every city and town of this state ~~there must be a fire department, which must be~~ shall provide fire protection in a manner that is organized, managed, and controlled as provided in this part ~~except that a third-class city or town may contract for fire protection services or consolidate its fire department with another fire protection provider created under this part.~~ chapter.

(2) (a) A first-class or second-class city or town may provide fire protection services through:

(i) a department of its own;

(ii) an interlocal agreement with another governmental fire protection provider under the provisions of Title 7, chapter 11, part 1;

(iii) a contract with another fire protection provider; or

(iv) subject to [section 1], annexing to a rural fire district established under Title 7, chapter 33, part 21.

(b) A third-class city or town may provide fire protection through contract for fire protection services, consolidation of its fire department with another fire protection provider, or inclusion as part of a rural fire district as provided in Title 7, chapter 33, part 21."

NEW SECTION. Section 5. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 7, chapter 33, part 41, and the provisions of Title 7, chapter 33, part 41, apply to [section 1].

- END -