County Authority

Optional Home Rule. Counties in the state of Montana may opt for either a charter or non-charter form of government. Out of 56 counties, Fergus, Anaconda-Deer Lodge and Butte-Silver Bow County have charter governments. Charter governments allow counties to dictate their own structure and law in accordance to state law. The other 53 counties operate under general law and only have the powers and government structure enumerated in the general laws of Montana.

Top Revenue Sources for Montana Counties

- $606 M (53%)
- $290 M (25%)
- $234 M (20%)
- $12 M (1%)

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

Summary of County Services

Services counties MUST provide:
- Establish a local board of health.
- Construct and maintain county roads and bridges outside of the state highway system.

Services counties CAN provide:
- Erect, furnish and maintain a civic center, youth center, park building, museum, recreation center and any combination thereof.
- Establish and maintain ambulance services.
- Form inter-jurisdictional transportation services for seniors and people with disabilities.
SUMMARY

Fifty-three (53) of Montana’s counties are governed under general law and have three county commissioners with the option of an appointed manager or administrator to act as chief administrative officer for the county. The board of commissioners serves as both the legislative and the executive body for a county, the board may have an elected county executive to administer the budget and policy goals. The city-county consolidations of Anaconda-Deer Lodge, Butte-Silver Bow along with the county of Fergus, are chartered and can decide their own respective structures. All counties may collaborate with other governmental and private entities to provide certain services such as a county-city board of health, regional port or rail authority. Unlike most other states, many of the row officers that Montana counties may employ are considered optional by the state legislature.

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<th>Row Officers</th>
<th>Elected/Appointed</th>
<th>Mandatory/Optional</th>
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<td>Public Administrator</td>
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<tr>
<td>Treasurer</td>
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COUNTY STRUCTURE

**Legislative Branch:** A board of three county commissioners acts as the legislative body.

**Executive Branch:** The board of county commissioners also acts as the executive body for counties. Counties may also have an elected executive who serves to carry out the commission’s administrative decisions.

**Judicial Branch:** Montana district courts are divided into 22 judicial districts which cover all counties. District courts have jurisdiction in all criminal cases on felony and civil matters. A district judge must reside in their district and a justice of the peace must reside in the county they serve.

**Optional Forms of Government:**
- Standard Elected County Official Form
- Commission-Executive
- Commission-Manager
- Commission-Presiding Officer
- Town Meeting Government
- City-County Consolidation (two versions)
- Charter

COUNTY AUTHORITY

**Executive Power:** Counties may also have an elected county executive who carries out the budget and policy goals of the board of commissioners and has some veto power. Counties can purchase and hold lands, make contracts and purchases, hold personal property and levy and collect taxes permitted by the state. A board of commissioners is responsible for the supervision of county officers and a county can adopt alternative forms of government that are allowed by state statute, but a board may not create or abolish row officer positions.

**Ability to Form Partnerships:** Counties and municipalities may form joint governments and may collaborate on interlocal agreements to form many entities like county-city boards of health, emergency medical services, 911 dispatch centers and more. Two or more counties may form regional port or rail authorities. A county may also form contracts as necessary in the exercise of its power.

**Call a State of Emergency:** The chief executive officer or presiding officer of a county may declare and terminate a local emergency or disaster.

**Special Districts:** Counties may establish special districts to provide for cemeteries, museums, parks, fairs, local improvements, mosquito control, multijurisdictional districts, roads and rodent control.
OVERVIEW OF COUNTY SERVICES

Counties in Montana have the ability to implement a wide variety of services to ensure the safety, health and welfare of its citizens. Some of these service authorities are more common, such as the option for counties to provide health care facilities, roads and parks. Youth centers, veteran cemeteries, port authorities and rail authorities are among the less typical services that counties may offer. One of the services that each county must provide is a board of health, and some of the services that counties are prohibited from offering independently include gas and electric utilities.

HEALTH AND HUMAN SERVICES

County Health Department: Each county must establish a board of health. Alternatively, counties may provide a joint health board with cities.

Hospitals: The county board of commissioners may erect and maintain health care facilities, including hospitals. Residents of a county may petition the board to form a hospital district.

Senior Care: Counties, urban transportation districts and municipalities are encouraged to enter interlocal agreements to provide regional transportation services to senior citizens and persons with disabilities and may create regional advisory committees to coordinate the services. A board of county commissioners may also maintain a senior boarding home which can be operated in conjunction with an existing health care facility.

Mental Health Facilities: The licensure for mental health facilities is provided by the state. Private non-profits and hospitals run community based mental health programs. County commissioners, however, often serve as the board of directors for the regional community based mental health service providers and can provide space and funding for mental health facilities.

Child Welfare: Child welfare services are administered by the state.

INFRASTRUCTURE

Transportation: In response to a petition, a board of county commissioners must hold a public hearing and election to decide on establishing a proposed transportation district.

Transportation Authorities: A board of county commissioners may create rail authorities and port authorities that cover either an entire county or a portion of a county. The county commissioners must appoint a board for the authorities and may also impose a tax on the properties served by the authority. Two or more counties may also form, by resolution, a regional rail or port authority.

Roads: Counties are responsible for the construction and maintenance of county roads and bridges outside of the state highway system. The county board of commissioners may delegate the administration of county roads to a county surveyor or county road superintendent.

Utilities: Water, sewage and solid waste services may be established by the county board of commissioners through special districts. Municipalities have the power to construct and maintain a variety of utilities while the state public service commission regulates rates.

- Water and Sewage: Counties may establish water and/or sewer districts to provide water and sewage services.
- Solid Waste: Counties may create solid waste districts.
- Electric: Counties may authorize any private or public corporations to construct power lines.
- Gas: Counties may authorize any private or public corporations to construct gas lines.
PUBLIC AMENITIES

Parks and Recreation: The county commissioners have broad powers to construct and maintain recreation facilities. Counties may form a board of park commissioners to manage these facilities.

Libraries: The governing body of a county may by resolution establish and maintain a public library and may levy the necessary taxes to do so.

Youth Centers and Other Amenities: A board of county commissioners may erect, furnish and maintain a civic center, youth center, park building, museum, recreation center and any combination thereof.

Veteran Cemeteries: Counties may provide for the construction and maintenance of a veteran’s cemetery. The governing body of a county may levy a property tax, accept donations and receive allowances to fund the cemetery.

ZONING AND DEVELOPMENT

Zoning Power: The board of county commissioners has broad zoning authority to regulate and restrict the use and construction of buildings and spaces, as well as to regulate population density and distribution.

Zoning Restriction: Counties must establish a growth policy before being able to exercise their powers over zoning. The growth policy includes a variety of community goals, assets objectives, an overview of resources and economic condition and a long-term policy plan.

Housing Authority: Any 25 residents of a county may file a petition with the county board of commissioners stating the need for a housing authority. The board of county commissioners will then determine the need for a housing authority and, if approved, will appoint a housing authority board. If approved, the board of commissioners must also submit the application to the secretary of state and the housing authority is jointly signed into existence.

Improvement Districts: The board of county commissioners may create rural improvements districts to provide for the construction of defined infrastructure in state law. County residents may also petition the county board of commissioners to establish a business improvements district for the following reasons: to promote general welfare of residents, promote tourism and marketing within the district and to serve a public use.
PUBLIC SAFETY

Law Enforcement: Counties may elect a sheriff, but towns and cities are responsible for establishing local police departments.

Jails: Counties are responsible for establishing and maintaining county detention centers through general funds or they may contract out to provide this service. The board of county commissioners is responsible for operating detention centers, although this task often becomes delegated to the county sheriff.

Courthouses: Counties may erect, furnish, equip, expand, improve and maintain many county buildings including a courthouse.

Fire: Upon a petition from county residents, a rural fire taxing districts may be established by a county board for an unincorporated territory. A county board may also establish fire service areas in response to a petition to cover an unincorporated area that is not part of a rural fire district. Instead of a tax, fire service areas mandate a fee which is charged to the owners of structures within the area which is to be used for structural fire prevention and suppression.

Ambulance: Counties may establish and maintain ambulance services or may contract with any neighboring city, county, town or private provider to do so.

MONTANA COUNTIES EMPLOY 8,620 GOVERNMENT EMPLOYEES

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

SCHOOLS

Education, Generally: The state must provide a system of public education. However, counties are responsible for levying 95 mills for the state to use for schools (22 mills for high school equalization, 33 mills for elementary school equalization and 40 mills for the general fund state equalization aid to public schools), plus any additional millage that local school districts are authorized to levy.

School Districts: There is an effective moratorium on the creation of school districts except for joining an existing elementary school district to a high school district. The county superintendent must oversee the establishment of school districts established by voter resolution.

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017
**OVERVIEW OF COUNTY FINANCE STRUCTURE**

County-generated revenue in Montana primarily comes from levying property taxes for the purpose of providing county funds and from service charges and fees. Counties do not have the authority to impose a sales tax or an income tax. Counties also may not go into debt other than to fund the operations of specific powers granted to them under general law. Counties are, however, granted increased autonomy over their finances and revenue collection in a state of emergency, during which counties may levy an emergency tax and may transfer money from other funds to an emergency relief fund.

### FINANCES, TAXES AND LIMITATIONS

**Property Tax:** All property in the state is subject to taxation except as otherwise provided in general law. Counties may levy a tax on all taxable property for the public or governmental purposes and as required by special or local statues.

**Personal Property:** Counties may assess personal property for property taxes.

**Income Tax:** Counties cannot levy income taxes.

**Sales Tax:** Counties cannot levy sales taxes.

**Mineral/Gas/Fuel Taxes:** Counties are no longer permitted by state legislation to impose a motor fuel excise tax. Counties also cannot levy mineral taxes.

**Investment:** Counties may invest funds as authorized by the state unified investment program. If a county has surplus funds, the board of county commissioners may direct the funds to be invested by purchasing county, municipal, hospital district or school district registered warrants.

**Debt and Debt Limit:** No county shall be indebted for any purpose in an amount in the aggregate exceeding 2.5 percent of the total assessed value of taxable property. The board of county commissioners may issue, negotiate and sell general obligation bonds. The county may issue revenue bonds for the finance of county projects and activities enumerated in the general law.

**Other Finance Info:**
- **Local Emergency Tax:** A board of county commissioners must levy a tax to cover the expenditures required of a local emergency or disaster. The tax rate cannot exceed 2 mills on the county’s taxable valuation outside the municipalities.
- **Resort Tax:** A board of county commissioners can be petitioned to establish a resort area district for the purpose of imposing a resort tax on services from hotels, motels and other lodging or camping facilities at a rate no higher than 3 percent.

### MONTANA COUNTIES INVEST $1.2 BILLION ANNUALLY

**Governmental Categories**

- **Justice and Public Safety:** $101 M
- **Transportation:** $196 M
- **Health and Human Services:** $179 M
- **Education:** $157 M
- **Administration:** $155 M

**Source:** NACo Analysis of U.S. Census Bureau - 2017 Census of Individual Governments: Finance

### MONTANA COUNTIES RECEIVE $12 MILLION FROM INTERGOVERNMENTAL SOURCES

**Intergovernmental Sources:**
- From Federal Government: 80%
- From State Government: 13%
- From Local Government: 7%
- County-Generated Revenue: 7%

**Source:** NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017