

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

Section 1. Section 7-13-4312, MCA, is amended to read:

"7-13-4312. Authorization to furnish water and sewer services to persons located outside

13 **municipality -- prohibition.** (1) A city council that owns and operates a municipal water system, a municipal
14 sewer system, or both, to furnish water and sewer services to the inhabitants of a city as a public utility may
15 furnish water from the water system and sewage services from the sewer system to the inhabitants or to any
16 person, factory, industry, or producer of farm or other products located outside of the corporate limits of the city
17 at reasonable rates filed by the city or town council. The city council may make collections to provide water and
18 sewer services in the same manner as collections are made within the corporate limits.

19 (2) The city council may not require that a parcel of land located outside of the corporate limits of
20 the city ~~change from single family zoning to multifamily zoning be developed at a higher density than allowed~~
21 ~~under existing county zoning regulations covering the parcel~~ in order to connect to a municipal water system or
22 a municipal sewer system."

24 **NEW SECTION. Section 2. Appropriation.** There is appropriated \$1,000 from the general fund to
25 the department of environmental quality for the biennium beginning July 1, 2025, to update documents related
26 to municipal water and sewer systems.