

Amendment - 2nd Reading/2nd House-tan - Requested by: Nelly Nicol - (H) Committee of the Whole

- 2025

69th Legislature 2025

Drafter: Matthew Weaver,

SB0553.002.001

SENATE BILL NO. 553

INTRODUCED BY D. ZOLNIKOV

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING STATE POLICY LAWS; PROVIDING FOR RESIDENTIAL DEVELOPMENT COST SHARING; REVISING LAND AND CASH DONATION OPTIONS FOR PARK DEDICATIONS; PROVIDING RULEMAKING AUTHORITY; ALLOWING FOOD SERVICE ESTABLISHMENTS TO SERVE FRESH KRATOM PRODUCTS; PROHIBITING EXPIRATION DATES ON AIRLINE TRAVEL CREDITS; ASSOCIATING OWNERSHIP WITH THE POSSESSOR OF THE TRAVEL CREDIT; LIMITING FEES; ALLOWING CASH REDEMPTION; ESTABLISHING A FEE FOR AIRLINE TRAVEL TO AND FROM MONTANA; ESTABLISHING REPORTING REQUIREMENTS; PROVIDING DEFINITIONS; RENAMING THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE; AMENDING SECTION 30-14-102, SECTIONS 5-5-202, 5-5-230, 5-11-222, 10-4-310, 17-7-214, ~~30-14-102~~, 69-1-222, 69-8-402, ~~76-3-621~~, 85-1-501, AND 90-3-1301, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE ~~AND A RETROACTIVE APPLICABILITY DATE.~~"

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

NEW SECTION. SECTION 1. — KRATOM TEA HOUSES. A FOOD SERVICE ESTABLISHMENT UNDER TITLE 50, CHAPTER 31, INCLUDING BUT NOT LIMITED TO KRATOM TEA HOUSES, MAY PREPARE AND SERVE FRESH KRATOM PRODUCTS, INCLUDING TEA, FOR CONSUMPTION ON PREMISE.

NEW SECTION. SECTION 2. — RESIDENTIAL DEVELOPMENT INFRASTRUCTURE — RULEMAKING. (1) IF A LOCAL GOVERNMENT REQUIRES A RESIDENTIAL DEVELOPMENT SUBDIVIDER TO PAY OR GUARANTEE PAYMENT FOR PART OR ALL OF THE COSTS OF EXTENDING OR ENHANCING CAPITAL FACILITIES PURSUANT TO ~~76-3-510~~, THE LOCAL GOVERNMENT MAY ENACT A RULE OR REGULATION THAT PROVIDES FOR AN EQUAL SHARE OF THE COSTS ASSOCIATED WITH EXTENDING OR ENHANCING THOSE CAPITAL FACILITIES WHEN A SUBSEQUENT DEVELOPMENT ALSO BENEFITS FROM THE EXPANSION OR ENHANCEMENT OF THOSE CAPITAL FACILITIES.

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~~(2) THE DEPARTMENT OF TRANSPORTATION MAY ESTABLISH RULES THAT LOCALLY APPROVED AND PLATTED RESIDENTIAL DEVELOPMENTS MAY BE ALLOCATED A FUTURE COST SHARE OF PRESENT-DAY INTERSECTION OR OTHER IMPROVEMENTS TO REDUCE THE UNDUE HARDSHIP AND ASSOCIATED COST BARRIERS FOR RESIDENTIAL DEVELOPMENTS TO MOVE FORWARD. THIS ANALYSIS SHOULD ALSO RECOGNIZE NORMAL INCREASES IN TRAFFIC IMPACTS BEYOND THAT WHICH IS OR CAN BE ATTRIBUTABLE TO ONE OR MORE DEVELOPMENTS.~~

~~**NEW SECTION. Section 3. Termination of travel credit prohibited -- fee limitation -- redemption -- airline fee -- reporting requirement.** (1) A travel credit is valid until redemption and does not terminate. A travel credit is considered trust property of the possessor if the issuer or seller of the travel credit declares bankruptcy after issuing or selling the travel credit.~~

~~(2) The value represented by the travel credit belongs to the possessor and not to the issuer or seller. An issuer or seller may redeem a travel credit presented by an individual whose name does not match the name on the travel credit.~~

~~(3) A travel credit may not be reduced in value by any fee, including a dormancy fee applied if a travel credit is not used.~~

~~(4) If the original value of the travel credit was more than \$5 and the remaining value is less than \$5 and the possessor requests cash for the remainder, the issuer or seller shall redeem the travel credit for cash.~~

~~(5) (a) A fee of \$1 must be added to any airline ticket purchased for travel to or from this state. Revenue collected from the fee must be deposited in an account in the enterprise fund type to the credit of the department of justice for the purposes of combating human trafficking.~~

~~(b) The department of justice shall report on spending from the fund, in accordance with 5-11-210, at the third-quarter interim budget committee hearing in the even-numbered year of each biennium.~~

SECTION 1. SECTION 5-5-202, MCA, IS AMENDED TO READ:

"5-5-202. Interim committees. (1) During an interim when the legislature is not in session, the committees listed in subsection (2) are the interim committees of the legislature. They are empowered to sit as

considerations; and

(c) building functionality, durability, and maintenance.

(2) When economically justified, state agencies may elect to improve the cost-effectiveness of existing buildings by participating in the high-performance program for operations and maintenance of existing buildings established by the department of administration under this section.

(3) The department of administration, in collaboration with the Montana university system, shall provide a report to the energy and telecommunications technology interim committee in accordance with 5-11-210 on the high-performance building program established in subsection (1). The report must include an overview of the state agencies and educational units participating in the program and an estimate of savings or actual savings in operations and maintenance resulting from participation in the program. (Terminates June 30, 2029--sec. 1, Ch. 408, L. 2019.)"

Section 9. ~~Section 30-14-102, MCA, is amended to read:~~

~~**"30-14-102. Definitions.** As used in this part, the following definitions apply:~~

~~(1) "Consumer" means a person who purchases or leases goods, services, real property, or information primarily for personal, family, or household purposes.~~

~~(2) "Department" means the department of justice created in 2-15-2001.~~

~~(3) "Documentary material" means the original or a copy of any book, record, report, memorandum, paper, communication, tabulation, map, chart, photograph, mechanical transcription, or other tangible document or recording.~~

~~(4) "Examination" of documentary material includes the inspection, study, or copying of documentary material and the taking of testimony under oath or acknowledgment in respect to any documentary material or copy of documentary material.~~

~~(5) (a) "Gift certificate" means a record, including a gift card or stored value card, that is provided for paid consideration and that indicates a promise by the issuer or seller of the record that goods or services will be provided to the possessor of the record for the value that is shown on the record or contained within the record by means of a microprocessor chip, magnetic stripe, bar code, or other electronic information storage~~

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~~device. The consideration provided for the gift certificate must be made in advance. The value of the gift certificate is reduced by the amount spent with each use. A gift certificate is considered trust property of the possessor if the issuer or seller of the gift certificate declares bankruptcy after issuing or selling the gift certificate. The value represented by the gift certificate belongs to the possessor, to the extent provided by law, and not to the issuer or seller.~~

~~(b) — The term does not include:~~

~~(i) — prepaid telecommunications and technology cards, including but not limited to prepaid telephone calling cards, prepaid technical support cards, and prepaid internet disks that have been distributed to or purchased by a consumer;~~

~~(ii) — a coupon provided to a consumer pursuant to any award, loyalty, or promotion program without any money or consideration being given in exchange for the card; or~~

~~(iii) — a gift certificate usable with multiple sellers of goods or services.~~

~~(6) — "Person" means natural persons, corporations, trusts, partnerships, incorporated or unincorporated associations, and any other legal entity.~~

~~(7) — "Possessor" means a natural person who has physical control over a gift certificate OR TRAVEL CREDIT.~~

~~(8) — (a) "Trade" and "commerce" mean the advertising, offering for sale, sale, or distribution of any services, any property, tangible or intangible, real, personal, or mixed, or any other article, commodity, or thing of value, wherever located, and includes any trade or commerce directly or indirectly affecting the people of this state.~~

~~(b) — The terms include direct patient care agreements established pursuant to 50-4-107.~~

~~(9) — "Travel credit" means a form of credit issued by an airline that can be used to purchase future flights or other services offered by an airline."~~

SECTION 6. SECTION 69-1-222, MCA, IS AMENDED TO READ:

"69-1-222. Annual report. (1) The consumer counsel shall prepare and submit a yearly report and

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(b) If a large customer claims a credit that the department of revenue disallows in whole or in part, the large customer is financially responsible for the disallowance. A large customer and the large customer's utility may mutually agree that credits claimed by the large customer be first approved by the utility. If the utility approves the large customer credit, the utility may be financially responsible for any subsequent disallowance.

(11) A public utility with fewer than 50 customers is exempt from the requirements of this section."

SECTION 12. SECTION 76-3-621, MCA, IS AMENDED TO READ:

"76-3-621. Park dedication requirement. (1) Except as provided in 76-3-509 or subsections (2), (3), and (6) through (9) of this section, a subdivider shall dedicate to the governing body a cash or land donation equal to:

(a) 11% of the area of the land proposed to be subdivided into parcels of one-half acre or smaller;

(b) 7.5% of the area of the land proposed to be subdivided into parcels larger than one-half acre and not larger than 1 acre;

(c) 5% of the area of the land proposed to be subdivided into parcels larger than 1 acre and not larger than 3 acres; and

(d) 2.5% of the area of the land proposed to be subdivided into parcels larger than 3 acres and not larger than 5 acres.

(2) When a subdivision is located totally within an area for which density requirements have been adopted pursuant to a growth policy under chapter 1 or pursuant to zoning regulations under chapter 2, the governing body may establish park dedication requirements based on the community need for parks and the development densities identified in the growth policy or regulations. Park dedication requirements established under this subsection are in lieu of those provided in subsection (1) and may not exceed 0.03 acres per dwelling unit.

(3) A park dedication may not be required for:

(a) land proposed for subdivision into parcels larger than 5 acres;

(b) subdivision into parcels that are all nonresidential;

(c) a subdivision in which parcels are not created, except when that subdivision provides

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~~permanent multiple spaces for recreational camping vehicles, mobile homes, or condominiums;~~

~~(d) — a subdivision in which only one additional parcel is created; or~~

~~(e) — except as provided in subsection (8), a first minor subdivision from a tract of record as described in 76-3-609(2).~~

~~(4) — The If the subdivider does not choose a cash donation only, the governing body, in consultation with the subdivider and the planning board or park board that has jurisdiction, may determine suitable locations for parks and playgrounds and, giving due weight and consideration to the expressed preference of the subdivider, may determine whether the park dedication must be a land donation, cash donation, or a combination of both a land and cash donation. When a combination of land donation and cash donation is required, the cash donation may not exceed the proportional amount not covered by the land donation.~~

~~(5) — (a) In accordance with the provisions of subsections (5)(b) and (5)(c), the governing body shall use the dedicated money or land for development, acquisition, or maintenance of parks to serve the subdivision.~~

~~(b) — The governing body may use the dedicated money to acquire, develop, or maintain, within its jurisdiction, parks or recreational areas or for the purchase of public open space or conservation easements only if:~~

~~(i) — the park, recreational area, open space, or conservation easement is within a reasonably close proximity to the proposed subdivision; and~~

~~(ii) — the governing body has formally adopted a park plan that establishes the needs and procedures for use of the money.~~

~~(c) — The governing body may not use more than 50% of the dedicated money for park maintenance.~~

~~(6) — The local governing body shall waive the park dedication requirement if:~~

~~(a) — (i) the preliminary plat provides for a planned unit development or other development with land permanently set aside for park and recreational uses sufficient to meet the needs of the persons who will ultimately reside in the development; and~~

~~(ii) — the area of the land and any improvements set aside for park and recreational purposes equals~~

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~~or exceeds the area of the dedication required under subsection (1);~~

~~(b) — (i) the preliminary plat provides long-term protection of critical wildlife habitat; cultural, historical, or natural resources; agricultural interests; or aesthetic values; and~~

~~(ii) — the area of the land proposed to be subdivided, by virtue of providing long-term protection provided for in subsection (6)(b)(i), is reduced by an amount equal to or exceeding the area of the dedication required under subsection (1);~~

~~(c) — the area of the land proposed to be subdivided, by virtue of a combination of the provisions of subsections (6)(a) and (6)(b), is reduced by an amount equal to or exceeding the area of the dedication required under subsection (1); or~~

~~(d) — (i) the subdivider provides for land outside of the subdivision to be set aside for park and recreational uses sufficient to meet the needs of the persons who will ultimately reside in the subdivision; and~~

~~(ii) — the area of the land and any improvements set aside for park and recreational uses equals or exceeds the area of dedication required under subsection (1).~~

~~(7) — The local governing body may waive the park dedication requirement if:~~

~~(a) — the subdivider provides land outside the subdivision that affords long-term protection of critical wildlife habitat, cultural, historical, or natural resources, agricultural interests, or aesthetic values; and~~

~~(b) — the area of the land to be subject to long-term protection, as provided in subsection (7)(a), equals or exceeds the area of the dedication required under subsection (1).~~

~~(8) — (a) A local governing body may, at its discretion, require a park dedication for:~~

~~(i) — a subsequent minor subdivision as described in 76-3-609(3); or~~

~~(ii) — a first minor subdivision from a tract of record as described in 76-3-609(2) if:~~

~~(A) — the subdivision plat indicates development of condominiums or other multifamily housing;~~

~~(B) — zoning regulations permit condominiums or other multifamily housing; or~~

~~(C) — any of the lots are located within the boundaries of a municipality.~~

~~(b) — A local governing body that chooses to require a park dedication shall specify in regulations the circumstances under which a park dedication will be required.~~

~~(9) — Subject to the approval of the local governing body and acceptance by the school district~~

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~~trustees, a subdivider may dedicate a land donation provided in subsection (1) to a school district, adequate to be used for school facilities or buildings.~~

~~(10) — For the purposes of this section:~~

~~(a) — "cash donation" is the fair market value of the unsubdivided, unimproved land; and~~

~~(b) — "dwelling unit" means a residential structure in which a person or persons reside.~~

~~(11) — A land donation under this section may be inside or outside of the subdivision."~~

SECTION 8. SECTION 85-1-501, MCA, IS AMENDED TO READ:

"85-1-501. Survey of power generation capacity. (1) The department shall study the economic and environmental feasibility of constructing and operating a small-scale hydroelectric power generating facility on each of the water projects under its control and shall periodically update those studies as the cost of the electrical energy increases. In determining whether small-scale hydroelectric generation may be economically feasible on a particular project, the department shall consider:

- (a) the estimated cost of construction of a facility;
- (b) the estimated cost of maintaining, repairing, and operating the facility;
- (c) the estimated cost of tying into an existing power distribution channel;
- (d) the ability of public utilities or rural electric cooperatives to lease and operate such a facility;
- (e) the debt burden to be serviced;
- (f) the revenue expected to be derived;
- (g) the likelihood of a reasonable rate of return on the investment; and
- (h) the potential impacts on water supply and streamflows.

(2) The department shall update the energy and ~~telecommunications~~ technology interim committee and the water policy interim committee in accordance with 5-11-210 on all past and current studies conducted pursuant to this section."

SECTION 9. SECTION 90-3-1301, MCA, IS AMENDED TO READ:

"90-3-1301. Geothermal research. (1) Subject to subsection (2), the Montana bureau of mines and

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pursuant to 90-3-1302."

NEW SECTION. SECTION 10. NAME CHANGE -- DIRECTIONS TO CODE COMMISSIONER. WHENEVER A REFERENCE TO THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE APPEARS IN LEGISLATION ENACTED BY THE 2025 LEGISLATURE, THE CODE COMMISSIONER IS DIRECTED TO CHANGE IT TO A REFERENCE TO THE ENERGY AND TECHNOLOGY INTERIM COMMITTEE.

~~**NEW SECTION. SECTION 16. Codification instruction. (1) [SECTION 1] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 16, AND THE PROVISIONS OF TITLE 16 APPLY TO [SECTION 1].**~~

~~**(2) [SECTION 2] IS INTENDED TO BE CODIFIED AS AN INTEGRAL PART OF TITLE 76, CHAPTER 3, PART 5, AND THE PROVISIONS OF TITLE 76, CHAPTER 3, PART 5, APPLY TO [SECTION 2].**~~

~~**(3) [Section 1 3] is intended to be codified as an integral part of Title 30, chapter 14, part 1, and the provisions of Title 30, chapter 14, part 1, apply to [section 1 3].**~~

~~**NEW SECTION. Section 17. Saving clause. [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].**~~

~~**NEW SECTION. SECTION 18. SEVERABILITY. IF A PART OF [THIS ACT] IS INVALID, ALL VALID PARTS THAT ARE SEVERABLE FROM THE INVALID PART REMAIN IN EFFECT. IF A PART OF [THIS ACT] IS INVALID IN ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM THE INVALID APPLICATIONS.**~~

NEW SECTION. Section 11. Effective date. [This act] is effective on passage and approval.

~~**NEW SECTION. Section 20. Retroactive applicability. [This act SECTIONS 3 THROUGH 11 AND 13 THROUGH 15] applies APPLY retroactively, within the meaning of 1-2-109, to travel credit issued on or after January 1, 2025.**~~