

Special Districts in Context: Theory, Structure, and Comparative Insights

Montana State University Extension
Local Government Center
Tuesday, February 24, 2026

Special Districts Defined



Statutory: "Special district" means a unit of local government that is authorized by law to perform a single function or a limited number of functions. (7-11-1002)(3)(a), MCA)



Academic: Special districts are local governments created by the people of a community to deliver specialized services essential to their health, safety, economy and well-being. (National Special Districts Coalition)

Special District Use Across the Country



Number: Nearly 40,000 nationwide



Age: Some date back to the 18th & 19th centuries



Common Types: Water, Irrigation, Fire, Transit, Sanitation, Health, Conservation, Library, Cemetery, Airport, Mosquito Control, Public Power, and more



Formation: Referendum, resolution & protest



Governance: Election, appointment, or governing body



Financing & Auditing: Commonly funded through small share of property tax, per unit assessment, or usage rate. Subject to state audit requirements

(National Special Districts Coalition, n.d.)

Special Districts in the Western Plains/ Northern Mountain West Region as of 2022

Colorado:
3,201

Idaho:
807

Kansas:
1,468

Montana:
736

Nebraska:
1,303

North Dakota:
683

South Dakota:
478

Wyoming:
643

(U.S. Census Bureau, 2022)

State and Local Government Relationship Related to Special Districts



Legislature's Role:

Authorize and enable a variety of tools

Define the legal framework and structure

Establish purpose, scope, process

Set reporting expectations

Ensure a variety of appropriate tools are available to local governments to respond to citizen needs



Local Governing Body's Role:

Apply and implement to address local issues

Respond to identified needs of citizens in an efficient, effective manner

Use tools authorized by state law to address varying needs of communities

Facilitate local conversations to weigh the interest in services compared to the cost of providing the services

History of Authorizing Statutes for Example Special Districts in Montana

Rural Fire
Districts:
R.C.M. 1911

Irrigation
Districts:
R.C.M. 1921

Grazing Districts:
R.C.M. 1939

Conservation
Districts:
R.C.M. 1939

Hospital
Districts:
R.C.M. 1953

Planning &
Zoning:
R.C.M. 1953

Cemetery
Districts:
R.C.M. 1955

Television
Districts:
R.C.M. 1961

County Roads
Districts:
R.C.M. 1965

Rodent Control
Districts:
R.C.M. 1981

Resort Area
Districts:
R.C.M. 1997

Uniform Act of 2009



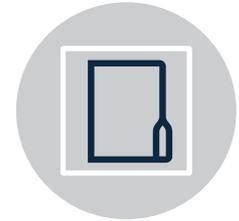
CONSISTENCY



CLARITY

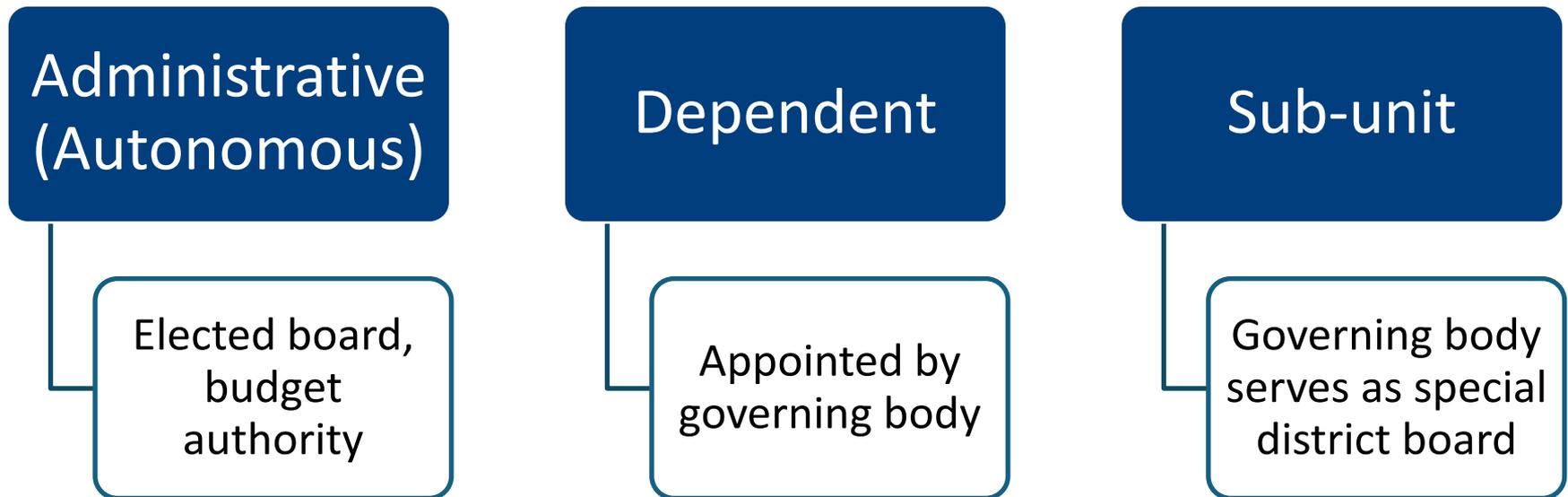


EFFICIENCY



SIMPLICITY

Relationship between Special Districts and Local Governing Bodies



Financing & Auditing Special Districts



State determines fiscal authority and financing structure options, such as those found in 7-11-1024, MCA



Legislature authorizes local government units to collect funds needs to provide defined service and ensure funds are used for the defined purpose of the special district



Local government units comply with audit and reporting requirements as defined in statute

Sources Referenced

- **Montana Legislative Services Division. (2025).** *Montana Code Annotated.*
<https://leg.mt.gov/bills/mca/>
- **National Special Districts Coalition. (n.d.).** *About special districts.*
<https://www.nationalspecialdistricts.org/about-special-districts>
- **Montana. (1949–1977).** *Revised Codes of Montana, 1947 (Vols. 1–9).* Allen Smith Company. (Original code compiled under Ch. 184, L. 1945; Ch. 266, L. 1947; Ch. 43, L. 1947).
- **U.S. Census Bureau. (2022).** *Government Units Survey: Public-use files.*
<https://www.census.gov/data/datasets/2022/econ/gus/public-use-files.html>