SENATE BILL NO. 150

INTRODUCED BY HOCKETT BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE SENATE

JANUARY 21, 1991

INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION.

FIRST READING.

PRINTING REPORT.

ENGROSSING REPORT.

JANUARY 25, 1991

JANUARY 26, 1991

JANUARY 28, 1991

JANUARY 29, 1991

THIRD READING, PASSED. AYES, 48; NOES, 0.

COMMITTEE RECOMMEND BILL

SECOND READING, DO PASS.

DO PASS. REPORT ADOPTED.

TRANSMITTED TO HOUSE.

IN THE HOUSE

JANUARY 30, 1991

FEBRUARY 5, 1991

FEBRUARY 9, 1991

FEBRUARY 11, 1991

INTRODUCED AND REFERRED TO COMMITTEE ON AGRICULTURE, LIVESTOCK, & IRRIGATION.

FIRST READING.

COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

SECOND READING, CONCURRED IN.

THIRD READING, CONCURRED IN. AYES, 92; NOES, 8.

RETURNED TO SENATE.

IN THE SENATE

FEBRUARY 11, 1991

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

LC 1264/01

Finte BILL NO. 150 1 2 INTRODUCED BY 3 BY REQUEST OF THE DEPARTMENT OF STATE LANDS 4 A BILL FOR AN ACT ENTITLED: 5 "AN ACT TO ELIMINATE THE 6 CARRYING CAPACITY ADJUSTMENT TO THE MINIMUM RENTAL RATE FOR 7 STATE GRAZING LEASES; AND AMENDING SECTION 77-6-507, MCA." 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 9 10 Section 1. Section 77-6-507, MCA, is amended to read: 11 "77-6-507. Formula for fixing annual rental. (1) In 12 this section: 13 (a) "animal unit" means one cow, one horse, five sheep, 14 or five goats: 15 (b) "animal-unit-month carrying capacity" means that 16 amount of natural feed necessary for complete the 17 subsistence of one animal unit for 1 month. 18 (2) The board shall establish the minimum per annum 19 rental rate per section of all grazing lands which that are 20 the property of the state upon-the-animal-unit-month-basis 21 as-provided-in-this-section. 22 (3)--In-fixing-the-minimum-annual--rental--per--section, 23 the-following-formula-shall-be-used: 24 (a)--The--base--rental--shall-be-computed by multiplying 25 six times the average price per pound of beef cattle on the

farm in Montana for the previous year times the
 animal-unit-month carrying capacity of the land.

3 (b)--The-minimum-annual-rental-for-grazing-lands-with-an
 4 annual-carrying-capacity-of-more-than-14-and--less--than--20
 5 animal-units-per-section-is-the-base-rental 6 (c)--The-minimum-annual-rental-for-grazing-lands-with-an

7 annual--carrying--capacity--of-more-than-19-animal-units-per

8 section-is-10-cents-more-than-the-base-rental;

9 (d)--The-minimum-annual-rental-for-grazing-lands-with-an

10 annual-carrying-capacity-cf-less-than-15--animal--units--per

11 section-is-10-cents-less-than-the-base-rental-

12 (4)(3) The carrying capacity of the land to be used in
13 the above formula shall must be in accordance with the
14 determinations of the department made under 77-6-201.

15 (5)(4) The average price per pound of beef cattle on 16 the farm in Montana shall must be taken from statistics 17 published by the United States department of agriculture 18 current at the time of computation of the rental or from 19 other reliable sources current at such that time."

-End-

INTRODUCED BILL -2- SB 150

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0150, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

This bill eliminates the carrying capacity adjustment to the minimum rental rate for state grazing leases.

ASSUMPTIONS:

The proposed bill would consolidate the three grazing rental rate classes into one. The following table details the 1. current grazing rental rate structure and the proposed structure. The table also includes the number of animal units at the three rates and the income from each rate.

	Current Rat	e Structure	
Class	Animal Units	Rate	Income
А	85,349	\$4.34	370,415
В	303,250	4.24	1,285,780
C	<u>601.601</u>	4.14	<u>2,490,627</u>
Total	990,200		4,146,822

Proposed	Rate	Structure	
990,200		4.24	4,198,448

FISCAL IMPACT:

	FY 92			FY 93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Revenues:</u>						
Public School Trust (01)	3,939,481	3,988,526	49,045	3,939,481	3,988,526	49,045
Other Trusts (02)	207,341	209,922	2,581	<u> 207.341</u>	209,922	2,581
Total	4,146,822	4,198,448	51,626	4,146,822	4,198,448	51,626

DATE

ROD SUNDSTED, BUDGET DIRECTOR Office of Budget and Program Planning

PRIMARY SPONSOR

DATE

513 150

Fiscal Note for <u>SB0150</u>, as introduced

52nd	Legislature LC 1264/01 APPROVED BY COMMITTEE		
	ON AGRICULTURE LIVESTOCK		
	& IRRIGATION		
1	Senate BILL NO. 150	1	farm i
2	INTRODUCED BY Bob Archite	2	animal-u
3	BY REQUEST OF THE DEPARTMENT OF STATE LANDS	3	(b) -
4		4	annual-c
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE THE	5	animal-r
6	CARRYING CAPACITY ADJUSTMENT TO THE MINIMUM RENTAL RATE FOR	6	+e)-
7	STATE GRAZING LEASES; AND AMENDING SECTION 77-6-507, MCA."	7	annual
8		8	section-
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	9	(d)
10	Section 1. Section 77-6-507, MCA, is amended to read:	10	annual-c
11	"77-6-507. Pormula for fixing annual rental. (1) In	11	section
12	this section:	12	++)
13	(a) "animal unit" means one cow, one horse, five sheep,	13	the abov
14	or five goats;	14	determi
15	(b) "animal-unit-month carrying capacity" means that	15	(5)
16	amount of natural feed necessary for the complete	16	the far
17	subsistence of one animal unit for 1 month.	17	publish
18	(2) The board shall establish the minimum per annum	18	current
19	rental rate per section of all grazing lands which that are	19	other r
20	the property of the state upon-the-animal-unit-month-basis		
21	as-provided-in-this-section-		
22	<pre>t3}In-fixing-the-minimum-annualrentalpersection;</pre>		
23	the-following-formula-shall-be-used:		
24	<pre>{a}Thebaserentalshall-be-computed by multiplying</pre>		
25	six times the average price per pound of beef cattle on the		
	A		
	Montana Legislative Counce		

Montana for the previous year times the n unit-month carrying capacity of the land. --The-minimum-annual-rental-for-grazing-lands-with-an carrying-capacity-of-more-than-14-and--less--than--20 units-per-section-is-the-base-rental; --The-minimum-annual-rental-for-grazing-lands-with-an -carrying--capacity--of-more-than-19-animal-units-per -is-l0-cents-more-than-the-base-rental; --The-minimum-annual-rental-for-grazing-lands-with-an carrying-capacity-of-less-than-15--animal--units--per -is-10-cents-less-than-the-base-rental. (3) The carrying capacity of the land to be used in ve formula shell must be in accordance with the nations of the department made under 77-6-201. (4) The average price per pound of beef cattle on m in Montana shall must be taken from statistics ed by the United States department of agriculture at the time of computation of the rental or from eliable sources current at such that time."

-End-

-2-



SECOND READING SB 150

LC 1264/01

LC 1264/01

CHATE BILL NO. 150 1 2 INTRODUCED BY з. BY REQUEST OF THE DEPARTMENT OF STATE LANDS . 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE THE 6 CARRYING CAPACITY ADJUSTMENT TO THE MINIMUM RENTAL RATE FOR 7 STATE GRAZING LEASES; AND AMENDING SECTION 77-6-507, MCA." 8 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 Section 1. Section 77-6-507, MCA, is amended to read: 11 *77-6-507. Pormula for fixing annual rental. (1) In 12 this section: 13 (a) "animal unit" means one cow, one horse, five sheep, 14 or five goats; 15 (b) "animal-unit-month carrying capacity" means that 16 amount of natural feed necessary for the complete 17 subsistence of one animal unit for 1 month. 18 (2) The board shall establish the minimum per annum 19 rental rate per section of all grazing lands which that are 20 the property of the state upon-the-animal-unit-month-basis 21 as-provided-in-this-section-22 (3)---In-fixing-the-minimum-annual--rental--per--section; 23 the-following-formula-shall-be-used:

24 (a)--The--base--rental--shall-be-computed by multiplying
 25 six times the average price per pound of beef cattle on the



farm in Montana for the previous year times the
 animal-unit-month carrying capacity of the land.

3 tb)--The-minimum-annual-rental-for-grazing-lands-with-an

4 annual-carrying-capacity-of-more-than-14-and--less--than--20

5 animal-units-per-section-is-the-base-rentair

6 (c)--The-minimum-annual-rental-for-grazing-lands-with-an 7 annual--carrying--capacity--of-more-than-l9-animal-units-per 8 section-is-l8-cents-more-than-the-base-rental-

9 (d)--The-minimum-annual-rental-for-grazing-lands-with-an
 annual-carrying-capacity-of-less-than-15--animal--units--per
 section-is-10-cents-less-than-the-base-rental+

12 (4)(3) The carrying capacity of the land to be used in
 13 the above formula shall must be in accordance with the
 14 determinations of the department made under 77-6-201.

15 (5)(4) The average price per pound of beef cattle on 16 the farm in Montana shall <u>must</u> be taken from statistics 17 published by the United States department of agriculture 18 current at the time of computation of the rental or from 19 other reliable sources current at such that time."

-End-

-2-

THIRD READING

SR

SB 0150/02

BILL SB 150

1	SENATE BILL NO. 150	1	farm in Montana for the previous year times the
2	INTRODUCED BY HOCKETT	2	animal-unit-month carrying capacity of the land.
3	BY REQUEST OF THE DEPARTMENT OF STATE LANDS	3	(b)The-minimum-annual-rental-for-grazing-lands-with-an
4		4	annual-carrying-capacity-of-more-than-14-andlessthan20
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ELIMINATE THE	5	animal-units-per-section-is-the-base-rental-
6	CARRYING CAPACITY ADJUSTMENT TO THE MINIMUM RENTAL RATE FOR	6	(c)The-minimum-annual-rental-for-grazing-lands-with-an
7	STATE GRAZING LEASES; AND AMENDING SECTION 77-6-507, MCA."	7	annualcarryingcapacityof-more-than-19-animal-units-per
8		8	Section-is-10-cents-more-than-the-base-rental-
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	9	(d)The-minimum-annual-rental-for-grazing-lands-with-an
10	Section 1. Section 77-6-507, MCA, is amended to read:	10	annual-carrying-capacity-of-less-than-15animalunitsper
11	*77-6-507. Formula for fixing annual rental. (1) In	11	section-is-10-cents-less-than-the-base-rental-
12	this section:	12	(4) The carrying capacity of the land to be used in
13	(a) "animal unit" means one cow, one horse, five sheep,	13	the above formula shall must be in accordance with the
14	or five goats;	14	determinations of the department made under 77-6-201.
15	(b) "animal-unit-month carrying capacity" means that	- 15	(5) (4) The average price per pound of beef cattle on
16	amount of natural feed necessary for the complete	16	the farm in Montana shall <u>must</u> be taken from statistics
17	subsistence of one animal unit for 1 month.	17	published by the United States department of agriculture
18	(2) The board shall establish the <u>minimum</u> per annum	18	current at the time of computation of the rental or from
19	rental rate per section of all grazing lands which that are	19	other reliable sources current at such that time."
20	the property of the state upon-the-animal-unit-month-basis		-End-
21	as-provided-in-this-section;		
22	(3)In-fixing-the-minimum-annualrentalpersection7		
23	the-following-formula-shall-be-used:		
24	(a)Thebaserentalshall-be-computed by multiplying		
25	six times the average price per pound of beef cattle on the		
	Δ.		-2- REFERENCE BILL SB 150