

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

FREE CONFERENCE COMMITTEE

Call to Order: By Chairman, Matt Himsl, on April 17, 1989,
at 10:00 a.m. in Room 310 at the state capitol.

ROLL CALL

Members Present: Sen. Matt Himsl, Sen. Richard Manning,
Sen. Bob Brown, Rep. Mark O'Keefe, Rep. Barry Stang,
Rep. Bill Glaser.

Members Excused: None

Members Absent: None

Staff Present: None

Announcements/Discussion: None

HEARING ON SENATE BILL 226

List of Testifying Proponents and What Group they Represent:

John North, Department of State Lands

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Sen. Himsl stated that the county appraisals going on are higher than those that put values on for leasing. Sen. Himsl wanted to know if there is any merit in increasing the minimum and dropping the percentage on the higher ones. Rep. O'Keefe stated that in some areas those people are paying \$30 at 2% but others pay \$200 with the minimum. That doesn't seem fair. Sen. Himsl stated he wants this to be a reasonable and fair bill that people can live with. The idea of this is to maximize the state's revenue.

Rep. O'Keefe stated that he has a cabin site appraised by Missoula county on Forest Service land, he has the same conditions as the State lake sites and he owns a small piece of leased land, 50 yards to the lake with forest

service all around it. He now pays \$571 a year. Under this system his lease would go down to \$389. There would be a substantial drop in the rate and he thinks it is fair at 5%. We should be able to get 3.5%. There is a problem for those who have had these for twenty years. He looked for a lease for 10 years before he found that forest service lease. Federal leases have always been 5%. Since Plumb Creek Lumber came into Seely/Swan and cut a logging road there are 83 crowded cabin sites and those people want out. For the \$75,000 he spent on his cabin site he has been offered \$475,000 for that lease in the last 12 months. As these sites disappear their value goes up.

Questions From Committee Members: Rep. O'Keefe asked John North what Champion appraises their cabin sites at. Is it county or state? Mr. North did not know and assumed it would be appraised like any other private property.

Sen. Manning asked if the people on the appraisal board are fair on their appraisals. Rep. Stang answered that they are fair.

Rep. O'Keefe stated he thought the people with the poorest sites are paying more money.

DISPOSITION OF SENATE BILL 226

Discussion: Sen. Himsl suggested 3% with a minimum of \$150. Rep. O'Keefe wanted to know if Thompson River sites were \$30 per year. Mr. North said yes. Sen. Manning stated he thought there should be something in there with land appraisal. It was mentioned that as a state, we have to obtain what a private landowner would obtain for those cabin sites. Rep. Glaser suggested raising the minimum every year for five years to reach 5%.

Amendments and Votes: Rep. Stang moved an amendment to a minimum of \$150 at 3.5%.

Recommendation and Vote: The amendment PASSED unanimous.

Discussion: None

Amendments and Votes: Rep. Stang moved an amendment for two installments.

Recommendation and Vote: The amendment passed UNANIMOUS.

ADJOURNMENT

Adjournment At: 11:25 a.m.


SEN. MATT HIMSL, Chairman

LAB/MATCONF.417

MATCONF.417

ROLL CALL

FREE CONFERENCE COMMITTEE - SENATE BILL NO. 226
DATE 4-17-49

51st LEGISLATIVE SESSION _____

NAME	PRESENT	ABSENT	EXCUSED
SENATOR MATT HIMSL	X		
SENATOR RICHARD MANNING	X		
SENATOR BOB BROWN	X		
REP. MARK O'KEEFE	X		
REP. BARRY STANG	X		
REP. BILL GLASER	X		

Each day attach to minutes.

(22)

Free Conference Committee Report
on SB 226
Report No. 1, April 17, 1989

Mr President and Mr. Speaker:

We, your Free Conference Committee on SB 226 met and considered:

The House Committee of the Whole amendments to SB 226 (third reading copy -- blue) offered by Rep. O'Keefe and dated April 3, 1989.

We recommend that the House amendments be accepted and that SB 226 (reference copy -- salmon) be amended as follows:

1. Title, line 8.

Following: "REVENUE"

Insert: "OR \$150, WHICHEVER IS GREATER"

2. Page 1, line 23.

Following: "~~of.~~"

Insert: "annual"


3. Page 2, line 5.

Following: "REVENUE"

Insert: "or \$150, whichever is greater. The licensee or lessee has the option to pay the entire fee on March 1 or to divide the fee into two equal payments due March 1 and September 1"

And that this Conference Committee Report be adopted.

FOR THE SENATE


Sen. Himsel, Chairman


Sen. Brown


Sen. Manning

FOR THE HOUSE


Rep. O'Keefe, Chairman


Rep. Stang


Rep. Glaser

ADOPT

REJECT

SB 226