

MINUTES

**MONTANA SENATE
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON NATURAL RESOURCES

Call to Order: By CHAIRMAN LORENTS GROSFIELD, on February 6, 1995, at 1:00 PM

ROLL CALL

Members Present:

Sen. Lorents Grosfield, Chairman (R)
Sen. Larry J. Tveit, Vice Chairman (R)
Sen. Mack Cole (R)
Sen. William S. Crismore (R)
Sen. Mike Foster (R)
Sen. Thomas F. Keating (R)
Sen. Ken Miller (R)
Sen. Vivian M. Brooke (D)
Sen. B.F. "Chris" Christiaens (D)
Sen. Jeff Weldon (D)
Sen. Bill Wilson (D)

Members Excused: None

Members Absent: None

Staff Present: Todd Everts, Environmental Quality Council
Theda Rossberg, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 145, SB 225
Executive Action: None

HEARING ON SB 225

Opening Statement by Sponsor:

SENATOR DARYL TOEWS, SD #48, LUSTRE, told the committee SB 225 was designed because Daniels, Valley and Phillips counties in northeastern Montana felt there were problems working with the Department of State Lands (DSL). Problems with access fees, consolidation of state lands, land banking, etc. had not been addressed. He said those problems were affecting the tax base, and distributed supporting data (EXHIBIT #1).

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SENATOR TOEWS said there was so much state land in Daniels County that local taxpayers were paying two and three times more than those in surrounding counties. If those lands were sold and the money put into the permanent trust fund, approximately a 7% return could be expected, in comparison to the current return of 1.56%.

The bill would do a number of different things:

- (1) It would set a process in motion for the sale of state lands in Daniels, Valley and Phillips counties. Those lands would be sold over an 18 year period, and no more than 10% of the land could be sold in any one year.
- (2) It would allow a lessee to be an active participant in bidding on the lease and retain his present preference.
- (3) It would allow for rejection of bids that were less than fair market value.

The action of the bill would be very slow. The process could be stopped at any time by the legislature and the Board of Investments. It would allow time to set up a land bank. If the state decided to invest the money from those sales in another part of the state, it would have that opportunity.

SENATOR TOEWS said it was his understanding that there was \$160 million in the permanent trust. State lands are currently valued at approximately \$1 billion. He said he thought there would be some discussion about appreciated values, as land both appreciates and depreciates very quickly. That land was originally set aside to raise money for education of Montana students, and children cannot be educated on appreciated value. He thought the education community had been at fault for not pressing the issue.

The state would retain 99% of the mineral and royalty interest of those lands. A safeguard contained in the bill stated that the land could not be sold at a rate that would depress the land market. The bill mandates that those lands would be sold at public auction.

Proponents' Testimony:

K. L. Bliss, Garfield County Taxpayers and Stockgrowers Association, strongly supported SB 225 but asked that it be amended to include Garfield County. With the federal government withdrawing from local issues, he said there would be increased pressure for money to fund schools and other programs and the people were already being taxed to the breaking point. The sale of state lands would increase money to fund schools, lower administrative costs, solve the access problem and protect private property rights. It would also place more land on the tax rolls.

Cheryl Bliss, Sand Springs, spoke in favor of the bill with an amendment to include Garfield County. She asked the committee to give ranchers the opportunity to purchase state lands presently

scattered among private lands. If the state lands were sold, the expected return to the School Trust Fund would be 6-1/2%.

The bill would increase the revenue to the School Trust Fund and to the counties because the lands would be put on the tax rolls.

Opponents' Testimony:

Jim Richard, Montana Wildlife Federation, told the committee he had lived in Phillips County for several years and the sponsor had accurately described some of the problems in that part of the state. He opposed the bill because he thought a better approach would be to set up a system to consolidate or trade state lands. He said he had used the lands in question and they undoubtedly have some excellent resources. He thought the state lands should remain in public ownership.

Janet Ellis, Montana Audubon Legislative Fund, also opposed the bill because, in addition to the reasons expressed by **Mr. Richard**, it appeared to take in all the Wildlife Management Areas and Fishing Access Sites in the counties listed. She felt these lands should remain in public ownership.

Stan Frasier, Helena, said some other states have sold their school trust lands and wish they had not. Utah currently has one of the lowest reserve amounts in its permanent account because they used the money during a budget crisis. He said land would always be there; money would not.

John Gibson Billings Rod and Gun Club and Magic City Chapter of Trout Unlimited, said the organizations he represented opposed the bill because they thought a better solution would be to adjust the fees to a realistic level for grazing and recreation. They were concerned that it probably would be improper to give a present lessee a special privilege. He thought any sale of state school trust lands would have to be made to the highest bidder, regardless of whether or not that person was a lessee. Sale of state lands would not be without cost because a lot of the land would have to be resurveyed. A cultural resource survey would also have to be made because of the Antiquities Act. To obtain full market value, some form of access would probably be necessary.

Debby Smith, Sierra Club, agreed with the opponents' comments and pointed out that the committee should consider the long-term rather than short-term financial considerations. Land generally appreciates and does not depreciate. She also thought the bill was inconsistent with current law that gives the State Land Board authority to disapprove of land sales they feel would not maximize the return to the state.

Joe Gutkoski, President, Madison-Gallatin Alliance, thought state lands should be retained. He also thought some consolidation of state lands and private lands in mixed ownership would be beneficial as DSL has a problem administering lands with no

public access. Monies obtained from the sale of state lands should go into a land bank so the state lands system could be expanded in the long run.

Tony Schoonen, Coalition for the Appropriate Use of State Lands and Skyline Sportsmen, said some of the most desolate land in the state was in his area and the present price for that land was \$1000 per acre. If the land had a tree or a little water it would sell from \$1400-\$1500 per acre. Land along a river sells for \$3500 or more per acre. To obtain maximum value for school trust lands it would have to be advertised in Los Angeles and Tokyo. Bids from those areas would certainly support the schools.

Mr. Schoonen said the organizations he represented had spent considerable time and money obtaining recreational access to state lands and felt it was unfortunate that the legislative session brought a push to sell those public lands.

Paul Berg, President Southeastern Montana Sportsmen's Association, agreed with the other opponents who had spoken. He was deeply opposed to selling the goose that laid the golden eggs. He thought it was unwise to sell school trust lands.

Ed Johns, Russell Country Sportsmen's Association, Great Falls, was also opposed to selling state lands, as he felt it would be the beginning of the end of hunting in Montana. It might solve access problems for a few lessees, but it would create more access problems for the state's 200,000 hunters.

Ron Bennett, Russell Country Sportsmen's Association, asked if anyone had determined why the State Land Board was only receiving 1-1/2% return on its investments. He asked if the state received 7% on all its investments and if those investments were guaranteed. Money can disappear but land will not.

Lisa Fairman said she had taken time off from work because she thought the issue was so important. She agreed with **Ms. Smith** that renewable resources found on state trust lands would provide a more stable future than the one-time benefit derived from a sale.

Chuck Kendall, Gallatin Gateway, said he operated a small ranch and outfitting business. His ranch is bordered by state lands he has leased for both summer pasture and his hunting business. The only access to those state lands was through his property and he has always allowed free public access. He opposed the bill because he felt it could lead to the possible closure of public land presently being utilized in a responsible manner. Development would also have a serious effect on the resident elk and deer, as well as the watershed.

Steve Kelly, Bozeman, rose in opposition to the bill and encouraged the committee to look at other options. He urged the

committee to consider that those state lands might soon be the only public lands in Montana. He pointed out that people accept less money to live in Montana because of the other amenities the state has to offer. He urged the committee not to sell state lands. He considered state lands as environmental capital. He said a significant investment has been made in those lands.

The efficiency of the use of revenue options using state lands as a capital base has never been investigated. No exhaustive cost analysis has ever been made. He suggested examining the relative benefits of leasing vs. sale of state lands.

Monte Cooper, Realtor from Bozeman, said many valid points had been made that he wouldn't repeat, but from the perspective of a real estate broker, Montana land has increased in value 300-400% over the last five years. If the state lands had been liquidated 18 years ago, Montana would have been put in an embarrassing situation. Some inaccessible parcels of state land should be traded or liquidated, but a wholesale measure like SB 225 didn't make sense. Even over an 18 year period it would flood the market.

Stewart Looman, Great Falls, said he represented himself and future generations, and he was tired of hearing the term "private rights." If the state lands were turned over to private individuals, he didn't believe they would be managed for future generations. Landownership means being a steward of the land. Montana has extremely valuable lands and the best way to protect them is to keep them in public ownership. He asked the committee to take responsibility for future generations.

Questions From Committee Members and Responses:

SENATOR MACK COLE, asked **Commissioner Bud Clinch** if he had thought about the way the sale of lands might be accomplished. He asked if it would be up to the State Land Board.

Bud Clinch, Commissioner of State Lands, said the answer to **SENATOR COLE'S** question was spelled out in the bill, but thought it would eventually be up to the Land Board.

SENATOR WILLIAM CRISMORE asked **Mr. Kelly** if he would support leasing a large portion of the state school trust lands to a hunting group for exclusive recreational and hunting rights. **Mr. Kelly** said the bill appeared to be attempting to increase revenue to the school trust, and he thought leasing recreational rights ought to be considered on an equal basis with liquidation of the asset. He didn't care what the uses were if they didn't destroy the long-term integrity of the land, pollute the water or kill the wildlife. Even a combination of uses should be considered.

SEN. CRISMORE asked how he would feel about leasing to a large group of nonhunting people, with unlimited funds, who wanted to see hunting shut down. **Mr. Kelly** said he probably wouldn't

approve if the lease would not allow use of the land, but he still thought it should be considered in an economic format.

SEN. CRISMORE asked if it could be defended in court if the state refused to lease state lands for more money than was currently being obtained. **Mr. Kelly** said under the Constitution and the Montana Environmental Policy Act he thought it could. He thought some of the bills being circulated through the session might result in loss of Montana's right to protect its lands over foreign use.

SEN. CRISMORE said he thought the trust was charged with maximum return for the schools. **Mr. Kelly** said he didn't see the words "maximum benefit" the same way **SEN. CRISMORE** did. He thought there was such a thing as environmental capital and that was what made Montana unique. A maximum cash benefit was something like Manhattan Island. He didn't think that was what Montana people expected for their future. He recommended safeguarding the quality of the land and access to the land and consideration of all the short-term problems that could be solved through better management.

SEN. JEFF WELDON asked **Commissioner Clinch** about the rate of return being realized on grazing leases, as the sponsor argued that the state only realized about 1-1/2% return. **SEN. WLEDON** asked if DSL or the Land Board had considered maximizing that return. **Commissioner Clinch** responded that DSL has received direction from the legislature and the Land Board about setting fees and the types of activities to be allowed. SB 424 from the last session mandated full market value for leases, and until that bill was passed, he was not sure either entity had considered maximizing the return on state lands.

SEN. VIVIAN BROOKE asked **SEN. TOEWS** if he had considered moderating his approach to merely consolidating the parcels of state land that were the most difficult to access.

SEN. TOEWS said he had introduced a bill in the Special Session to consolidate state lands into larger units, as it was very difficult to get a big price for an isolated tract of land.

SENATOR THOMAS KEATING pointed out that Section 2 of the bill says the sale may not be held until there were applications for lands in one county from prospective purchasers representing 12 families. He asked if the purchase of state lands would be restricted to families.

SENATOR TOEWS said the statement read by **SEN. KEATING** was in existing law. The bill would exclude Daniels, Phillips and Valley counties from that section of law. Sale in those counties would be at the discretion of the Land Board.

CHAIRMAN GROSFIELD commented that on the chart (**EXHIBIT 1**) distributed by **SENATOR TOEWS** it appeared that approximately 23.9%

of Daniels County was owned by the state and would be for sale, and asked if he would consider selling a smaller percentage.

Closing by Sponsor:

SEN. TOEWS said that was a very good question, and he didn't personally have a problem with selling all the state lands in his county or dropping it down to a percentage equal to the average of the rest of the state. The purpose of the bill was to change direction. He said commissioners from all three of the named counties favored doing something with their state lands. The State Land Advisory Committee in Daniels County agreed conceptually. He said there were few problems with access to waters in northeastern Montana. Most major waters are surrounded by federal land. Most of the opponents to the bill were not from eastern Montana. Access is not a problem there.

{Tape: 1; Side: B; Comments: Chairman Grosfield relinquished the Chair to Vice-Chairman Larry Tveit}

HEARING ON SB 145

Opening Statement by Sponsor:

SENATOR KEATING told the committee SB 145 was a measure to structure within the state the ability to receive unappropriated public domain lands if and when they became patented to the state. It also vests in the Attorney General the exclusive authority to protect the interest of the state concerning that public resource and join with other western states in proposed litigation on that issue.

SEN. KEATING said there were roughly 30-35 million acres of public domain in the state; the bill would not affect the appropriated lands (wilderness lands, historic sites, national parks). The Bureau of Land Management, Minerals Management Bureau, Forest Service and possibly the Corps of Engineers manage the unappropriated lands. He suggested those who opposed the sale of state lands should note that he was attempting to increase state lands from 5 million acres to 35 million acres.

On July 4, 1776 the 13 original colonies declared independence from England. In 1777 the Articles of Confederation were signed by those colonies to protect themselves. In 1781 the English surrendered to George Washington and in 1783 the 13 sovereign states entered into the Treaty of Paris with England, France and other nations. They declared to the world that each colony was a separate, sovereign state. In 1790, the 13 states had ratified the Constitution and the United States was born. During the entire history of the beginning of this country, each state was sovereign and self-governing.

SENATOR KEATING distributed a page entitled "Chapter 5" explaining that each state would retain every power, jurisdiction and right not delegated to the Congress of the United States (the 10th amendment) (EXHIBIT #2).

SENATOR KEATING said his second handout entitled "U. S. Constitution," in Section 8 (EXHIBIT #3) outlined the limits of the powers of Congress over lands.

The document entitled "Public - No. 52" withholds the unappropriated public domain from Public Law 52, the Montana statehood law. That was the same reservation that was held unconstitutional in a previous case (EXHIBIT #4)

SENATOR KEATING said he had mentioned those arguments because he expected the opposition to state that there was no need for this bill because Montana will never have any claim on the public domain. He thought there was Supreme Court precedent that Montana could have a valid claim on the public domain in the State of Montana. A number of western states are currently forming a coalition of states to petition Congress to either patent the lands to the western states or take the matter to the Supreme Court. If that should happen, SB 145 will have established a structure for the State of Montana to receive those lands as state lands. It would be of benefit to the people of Montana to have that public domain; it would tend to remove the federal presence.

Proponents' Testimony:

Larry Brown, Agricultural Preservation Association, commented that he thought the bill was well researched and put together. In regard to federal ownership, the 35+ million acres are in addition to 12 million acres of preserves, existing wilderness areas, national parks, etc. He asked how much was enough. He favored state ownership because it would bring management closer to the people. Wildlife populations have increased dramatically under state management. The bill would provide a tremendous opportunity for the state.

Opponents' Testimony:

Stan Frasier, Helena, said wildlife populations have rebounded over the last century because hunters and fishermen have spent billions of dollars buying habitat, preserving habitat and nurturing those populations. He said he had seen some bad bills in the present session, and thought SB 145 was one of the worst. He said he had heard testimony that state lands should be sold because the state was incapable of managing them profitably.

Monte Cooper, Bozeman, said the federal government reimburses state agriculture in the amount of \$60 million in subsidies. He wondered if the state government could manage those lands better than the federal government. He thought there would be closer to

8.1 million acres rather than 30 million acres of unreserved federal land.

As a realtor, he said he was constantly in contact with people coming to Montana - and they come because of the recreational opportunities. Recreation is a major industry in the state. He didn't think the state should be willing to move away from that industry without a replacement in sight.

Edward Eschler, Helena, opposed the bill as well as a companion bill (HB 218) requiring the sale of most state lands because the two bills would result in a landed gentry and "property-less" workers (**EXHIBIT #5**).

Debby Smith, Sierra Club, said the bill was comprised of an environmental issue as well as a federal issue. She said she enjoyed the history presented by **SEN. KEATING**. However, she believes the lands should be retained by the federal government. Montana does not have to be silent in the management of federal lands. She urged the committee to vote against this bill.

Louise Bruce, President, Montana Wilderness Association, said the 2300 members of her organization all concurred with the opinions of the opponents who had already spoken (**EXHIBIT #6**).

Sam Babich, Butte, representing Public Lands Access Association from Bozeman, Montana Action for Access from Butte, and Skyline Sportsmen, said the organizations he represented were totally opposed to SB 145. People are fighting to gain access to public lands; the potential for selling those lands in the future was a crime. He said people would not be able to get off the road in 30 years. The federal government should retain public lands and should bear the costs. When the state could no longer afford to administer those lands they would have to sell them. The state would consist of private property with no access by the public.

Bill Maloit, Backcountry Horsemen of Montana, said his organization has over 1500 members in Montana and they are also opposed to the bill because public lands should be retained in public ownership (**EXHIBIT #7**).

Margaret Adams, Audubon Council, said she was concerned about the bill because she had spent her entire life in Montana and was closely related to Montana agriculture. Montanans are justly proud of their heritage of public lands. She suggested the committee contact the State of Oregon where a similar bill is being considered; one has already been rejected in Idaho.

Steve Kelly, Bozeman, said the bill was presented as a stand-alone bill, but he warned the committee not to be deceived. He thought the bill was the beginning of an agenda to privatize all public lands in Montana. He urged the committee to vote against SB 145. The people who would buy those lands are not from

Montana. Those foreign entities pay no income tax in Montana and have no interest in the well being of Montana citizens.

John Gibson, Billings Rod and Gun Club, and Billings Chapter of Trout Unlimited, agreed with other opponents to the bill because Montana's public lands must remain public for economic as well as recreational reasons (EXHIBIT #8).

Brad Martin, Director of Montana Democratic Party, opposed SB 145 because Montana's public lands, both state and federal, are one of its greatest assets. His chief concern was that those lands would be sold if under state management. He asked if Montanans really wanted to void the existing partnership with the federal government in management of public lands. He hoped that the committee would realize that it would be an error to pass the bill.

Dyrck Van Hyning, Montana Wilderness Association, Great Falls, said Meagher County received \$110,000/year in PILT payments. Up until 2000 A.D., Meagher County will receive \$110 for each person in the county, or \$242,000/year. People who say the federal government does not return any money to the counties are wrong

{Comments: The following opponents only had time to state their name because of the lack of time.}

Paul Berg, Billings opposed SB 145.

Bill Thomas, Butte, distributed an article from the Montana Standard (EXHIBIT #9).

Tony Schoonen, Coalition for Appropriate Management of State Land, Butte (EXHIBIT #10).

Joe Gutkoski, Bozeman, President of Madison-Gallatin Alliance, opposes SB 145.

Ed Johns, Russell Country Sportsmen, Great Falls, was against SB 145.

Jim Jensen, Environmental Information Center, Helena, opposes SB 145.

Eric Grove, Helena, opposes the bill.

Mark Good, Great Falls, opposes the bill.

Diane McDermond, Medicine River Canoe Club, Great Falls, against SB 145.

Lisa Schassberber Roe, Helena, opposes SB 145. (EXHIBIT #11)

Chuck Kendall, Gallatin Gateway, opposes the bill.

Bob Decker, Helena, opposes the bill.

John Tarnoski, Great Falls, was against SB 145.

Gary Maxwell, Great Falls, opposes SB 145.

Barbara Gillard, Great Falls, urges the committee to vote against SB 145.

Dan Sidor, Helena, was against SB 145.

Goldie Walker, Great Falls, opposed SB 145.

Peter Jennings, Bozeman, opposed the bill.

Questions From Committee Members and Responses:

SENATOR WELDON commented to SENATOR KEATING that several opponents had mentioned SENATOR KEATING'S analysis of the constitutional context in which the bill was offered. He disagreed with the idea that the federal government was an agent of the states because the power came from the people, not from the states. The people gave Congress the power to make treaties with the Indians to acquire land in the west.

{Tape: 2; Side: A}

SENATOR KEATING responded that the constitution was an agreement among nine states, whose power came from the people of those sovereign states to contract with each other. The issue of withholding lands at the time of statehood had not been fought, except in the case of Alabama. That case went to the Supreme Court and was decided in favor of Alabama. Congress, comprised of representatives of the states, had disposed of land to individuals for private ownership, so there was precedent for the bill. His bill was a states' rights bill and it was drafted before REP. ROGER DEBRUYCKER'S bill.

SENATOR BROOKE asked for the author of the handout entitled Saving our Constitution for the New World Order. SENATOR KEATING replied that he believed the author was a man named Bennett.

SENATOR CRISMORE mentioned that Mr. Kelly had said there wouldn't be money to operate and manage the federal lands if they were deeded back to the state. If the timber on the Kootenai National Forest were sold at the rate given in the management plan, would it not pay for a great portion of the management - yes or no?

Mr. Kelly said no, there was no timber left in the Kootenai National Forest.

SENATOR CRISMORE said he and **Mr. Kelly** did not agree on the definition of timber, because he could show **Mr. Kelly** timber that had died and gone to waste this year. **Mr. Kelly** responded that he could show **SENATOR CRISMORE** places where trees would never grow back.

SENATOR KEATING commented that he had no plan to sell the 35 million acres of public domain, should it revert to the state.

SENATOR TVEIT commented that the 13 original states decided they needed a joint entity to work through and put together the federal government. Articles of Incorporation followed and one article was an equal footing doctrine. In that process the 13 states decided that all rights went back to the states and the only things the federal government could own were forts, magazines, arsenals, dockyards and other needful buildings. The federal government cannot own land today under the equal footing doctrine. Attorney General Joe Mazurek has stated that Congress has all the rights. Congress has the right to pass legislation.

Closing by Sponsor:

SENATOR KEATING said he also subscribed to the equal footing doctrine but it was a matter for the courts. He said agricultural subsidies go to people who own private property and they are paid in states where there is no public domain so that was not really an issue. Blaine and Phillips counties were almost entirely county-owned at the end of the 1930's. That land was sold for 25 cents an acre in the '40's. The purpose of the sales was to get the land on the tax rolls. The land has since been developed into farms and ranches and the value has appreciated.

SENATOR KEATING commented that the bill contained no appropriation. He stated that he was in the oil business and had been for 40 years. He said it was much easier to buy a lease from the federal government or the state than from a private landowner. All the big oil companies have had opportunities to buy land in Montana and they never did. They didn't want to own land, only lease it for exploration, so the idea that corporations would buy up all the state land was ridiculous.

SENATE NATURAL RESOURCES COMMITTEE

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ADJOURNMENT

Adjournment: 3:00 PM



LORENTS GROSFIELD, CHAIRMAN



THEDA ROSSBERG, SECRETARY

LG/TR

MONTANA SENATE
1995 LEGISLATURE
NATURAL RESOURCES COMMITTEE

ROLL CALL

DATE 2-6-95

[illegible]

SEN:1995
wp.rollcall.man
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Total acres 5,172,839

<u>LAND TYPES</u>	<u>ACRES</u>		<u>APPROX. PRESENT VALUE</u>
Timber	500,514	\$1,000/acre	\$500,514,000
Agriculture	559,954	\$ 285/acre	\$159,586,890
Grazing	4,172,371	\$ 75/acre	\$308,427,825
			=====
			\$968,528,715

Total Tracts - 41,000

6% of all lands in Montana

90% of all trust land is common school trust

Gross return on estimated value 1992-1993

	<u>INCOME</u>	
Timber	\$4,562,732	.928%
Agriculture	\$7,660,483	4.8%
Grazing	\$4,178,056	1.36%

*Department of State Lands estimated values 9-2-92

STATE GRAZING LANDS

1,000 Acres NE Montana

SENATE NATURAL RESOURCES
 COMMITTEE NO. 1
 DATE 2-26-95
 BILL SB. 225

	<u>PRESENT</u>	<u>LAND SOLD</u>	<u>CONSOLIDATED</u>
Lease	1,007		2,015
Interest on Principle		3,000	
Tax or PILT	(50)	669	(50)
Administration	(197)	(12)	(197)
	=====	=====	=====
	760	3,657	1,768
Return on Investment	1.56%	7.3%	3.6%

Assumptions

\$52,700 less 5% selling cost = \$50,000 net

Interest on principle 6% (Board of Investments)

Administration 1994 budget state lands

Taxes - 371 mills

The current acreage owned by all trusts is 5,131,686 acres. This is approximately 5.5 percent of the total land area of Montana. The largest land trust continues to be the common school trust which today owns 4,597,691 acres or approximately 90 percent of all trust lands. Table 1 details the original 5,863,646 acres granted to Montana by grantee and the current surface acres.

Table 1
Surface Acreage of Original and Remaining Trust Lands by Grantee

<u>Grantee</u>	<u>Original Grant Acres</u>	<u>Remaining Acres</u>
Public School	5,188,000	4,597,691
University of Montana	46,720	17,981
Montana State University - Morrill Grant	90,000	62,977
Montana State University - Second Grant	50,000	32,408
Montana College of Mineral Science & Tech.	100,000	59,606
Eastern and Western Montana Colleges	100,000	62,890
School for the Deaf and Blind	50,000	36,236
Pine Hills School	50,000	68,744
Public Buildings	182,000	186,227
Veteran's Home	1,276	1,276
Montana Agricultural Experiment Station	640	640
Agricultural and Manual Training School	5,000	5,000
State Penitentiary	10	10
TOTAL ACRES	<u>5,863,646</u>	<u>5,131,686</u>

Source: Compiled by the Office of the Legislative Auditor from Department of State Lands records, June 30, 1982.

Of the original 5.9 million acres granted, there remains today 5.1 million of surface acres. There are three causes of the 0.7 million acre difference between the land originally granted and the acres that remain today. First, land sales have reduced the trust acreage. Second, land exchanges have both added and subtracted acreage. Third, land was added to the trust through a program in the early 1900's in which funds

Table 2
Ranking of Montana's Counties by the Amount of State Land In the County

2-6-95

SB-225

Counties	Acreage of State Land	Total County Acreage	Percentage of County Owned by State	Percentage of State Acres
1 Beaverhead	332,640	3,552,640	9.4%	6.45%
2 Chouteau	267,697	2,513,280	10.7%	5.19%
3 Daniels	221,115	923,520	23.9%	4.29%
4 Valley	214,597	3,183,360	6.7%	4.16%
5 Phillips	189,799	3,336,320	5.7%	3.68%
6 Blaine	181,028	2,736,000	6.6%	3.51%
7 Rosebud	177,600	3,223,680	5.5%	3.44%
8 Garfield	167,061	2,851,200	5.9%	3.24%
9 Fergus	156,687	2,714,880	5.8%	3.04%
10 Hill	155,585	1,873,280	8.3%	3.02%
11 Carter	143,199	2,120,320	6.8%	2.78%
12 Powder River	140,860	2,104,320	6.7%	2.73%
13 Custer	140,420	2,403,840	5.8%	2.72%
14 Lewis and Clark	133,821	2,224,640	6.0%	2.60%
15 Flathead	130,630	3,287,680	4.0%	2.53%
16 Madison	124,887	1,668,480	7.5%	2.42%
17 Teton	104,001	1,468,160	7.1%	2.02%
18 Toole	98,842	1,248,000	7.9%	1.92%
19 Judith Basin	98,511	1,203,200	8.2%	1.91%
20 McCone	94,169	2,257,920	4.2%	1.83%
21 Meagher	90,430	1,506,560	6.0%	1.75%
22 Dawson	87,707	1,516,800	5.8%	1.70%
23 Big Horn	87,032	3,214,720	2.7%	1.69%
24 Liberty	86,684	920,960	9.4%	1.68%
25 Richland	80,971	1,330,560	6.1%	1.57%
26 Yellowstone	79,127	1,690,880	4.7%	1.53%
27 Cascade	77,183	1,703,040	4.5%	1.50%
28 Prairie	76,423	1,107,200	6.9%	1.48%
29 Musselshell	75,970	1,207,680	6.3%	1.47%
30 Wheatland	72,778	908,800	8.0%	1.41%
31 Missoula	69,575	1,671,680	4.2%	1.35%
32 Fallon	68,093	1,045,120	6.5%	1.32%
33 Lincoln	65,314	2,376,960	2.7%	1.27%
34 Sanders	63,493	1,777,920	3.6%	1.23%
35 Petroleum	63,471	1,059,200	6.0%	1.23%
36 Lake	59,624	956,160	6.2%	1.16%
37 Powell	58,909	1,495,040	3.9%	1.14%
38 Pondera	56,730	1,052,800	5.4%	1.10%
39 Gallatin	52,176	1,610,880	3.2%	1.01%
40 Golden Valley	48,291	752,640	6.4%	0.94%
41 Sweet Grass	47,077	1,177,600	4.0%	0.91%
42 Sheridan	45,787	1,084,160	4.2%	0.89%
43 Stillwater	45,161	1,148,160	3.9%	0.88%
44 Carbon	42,994	1,322,240	3.3%	0.83%
45 Treasure	37,364	630,400	5.9%	0.72%
46 Jefferson	34,255	1,057,280	3.2%	0.66%
47 Park	33,134	1,852,800	1.8%	0.64%
48 Wibaux	32,670	569,600	5.7%	0.63%
49 Ravalli	30,845	1,524,480	2.0%	0.60%
50 Broadwater	24,509	763,520	3.2%	0.48%
51 Mineral	21,957	782,080	2.8%	0.43%
52 Roosevelt	19,944	1,526,400	1.3%	0.39%
53 Granite	18,718	1,109,120	1.7%	0.36%
54 Silver Bow	13,264	457,600	2.9%	0.26%
55 Glacier	8,312	1,896,960	0.4%	0.16%
56 Deer Lodge	7,656	473,600	1.6%	0.15%

adopted. The fears of Patrick Henry may well yet prove prophetic, but the power is still in *the people*, if they will only use it to keep his fears from coming to pass, as pointed out in the reply of Mr. Nicholas.

He argued that the language of the proposed ratification would secure everything which gentlemen desired, as it declared that all powers vested in the Constitution were derived from the people, and might be resumed by them whensoever they should be perverted to their injury and oppression; and that every power not granted thereby remained at their will. No danger whatever could arise; for says he, these expressions will become a part of the contract. The Constitution cannot be binding on Virginia, but with these conditions. If thirteen individuals are about to make a contract, and one agrees to it, but at the same time declares that he understands its meaning, signification, and intent to be, what the words of the contract plainly and obviously denote, that it is not to be construed so as to impose any supplementary condition upon him, and that he is to be exonerated from it whensoever any such imposition shall be attempted, we ask whether, in this case, these conditions on which he has assented to it, would not be binding on the other twelve? In like manner, these conditions will be binding on Congress. They can exercise no power that is not expressly granted them.

Virginia ratified the Constitution by a vote of 89 in favor, 79 against.

Immediately afterwards the amendments which had been agreed upon to be proposed were taken up and adopted without opposition. They were twenty in number. Very similar, in many respects to those incorporated by Massachusetts in her ratification. The first, and most important, was:

"1st. That each State in the Union shall, respectively, retain every power, jurisdiction, and right, which is not by this Constitution delegated to the Congress of the United States, or to the departments of the Federal Government." This, of course, is the Tenth Amendment as we know it today.

These proceedings conclusively show how the Convention of Virginia understood the Constitution. That is, that it

was *Federal* in its character, and that the Government under it was to be a Federal Government, one founded upon Compact between Sovereign States. The Constitution was merely a contract, or treaty. The Federal Government, a mere corporate creation of sovereign principals.

Not a member of the Convention advocated the Constitution upon any other principles. The opposition of Patrick Henry, George Mason, and others was altogether argumentative, and sprung mainly from apprehensions that the Constitution would not be construed as its friends maintained that it would be, and that powers not delegated *would* be assumed by construction and implication. In hindsight, we know these fears were well founded.

These proceedings also show clearly that Virginia understood by the declaration in her ratification that her people had the right to resume the powers that they had delegated in case these powers, in their judgment, should be perverted to their injury. In doing so, no resort to force or war was anticipated. Virginia was joining the Union of her own free will; she could and would leave also, on her own free will if she, in her judgment alone, felt it necessary or advisable to do so.

Eleventh, New York

Here is the ratification of New York.

"We the delegates of the people of the State of New York, duly elected and met in Convention, having maturely considered the Constitution for the United States of America, agreed to on the 17th day of September, in the year 1787, by the Convention then assembled at Philadelphia, in the Commonwealth of Pennsylvania (a copy whereof precedes these presents), and having also seriously and deliberately considered the present situation of the United States,—Do declare and make known,—

"That all power is originally vested in, and consequently derived from the people, and that Government is instituted by them for their common interest, protection, and security.

"That the enjoyment of life, liberty, and the pursuit of

STATE NATURAL RESOURCES
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ing from the same; and for any speech or debate in either house they shall not be questioned in any other place.

No senator or representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased during such time; and no person holding any office under the United States, shall be a member of either house during his continuance in office.

Section 7. All bills for raising revenue shall originate in the house of representatives; but the senate may propose or concur with amendments as on other bills.

Every bill which shall have passed the house of representatives and the senate, shall, before it becomes a law, be presented to the president of the United States; if he approve, he shall sign it, but if not he shall return it, with his objections, to that house in which it shall have originated, who shall enter the objections at large on their journal, and proceed to reconsider it. If after such reconsideration two-thirds of that house shall agree to pass the bill, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of that house, it shall become a law. But in all such cases the votes of both houses shall be determined by yeas and nays, and the names of the persons voting for and against the bill shall be entered on the journal of each house respectively. If any bill shall not be returned by the president within ten days (Sundays excepted) after it shall have been presented to him, the same shall be a law, in like manner as if he had signed it, unless the congress by their adjournment prevent its return, in which case it shall not be a law.

Every order, resolution, or vote, to which the concurrence of the senate and house of representatives may be necessary (except on a question of adjournment), shall be presented to the president of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the senate and house of representatives, according to the rules and limitations prescribed in the case of a bill.

Section 8. The congress shall have power—

To lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States;

To borrow money on the credit of the United States;

To regulate commerce with foreign nations, and among the several states, and with the Indian tribes;

To establish an uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States;

To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures;

To provide for the punishment of counterfeiting the securities and current coin of the United States;

To establish post offices and post roads;

To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;

To constitute tribunals inferior to the supreme court;

To define and punish piracies and felonies committed on the high seas, and offences against the law of nations;

To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water;

To raise and support armies, but no appropriation of money to that use shall be for a longer term than two years;

To provide and maintain a navy;

To make rules for the government and regulation of the land and naval forces;

To provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasion;

To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the states respectively the appointment of the officers, and the authority of training the militia according to the discipline prescribed by congress;

To exercise exclusive legislation in all cases whatsoever, over such district (not exceeding ten miles square) as may, by cession of particular states, and the acceptance of congress, become the seat of government of the United States; and to exercise like authority over all places purchased by the consent of the legislature of the state in which the same shall be, for the erection of forts, magazines, arsenals, dock-yards, and other needful buildings; and

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this constitution in the government of the United States, or in any department or officer thereof.

under the equal footing doctrine

CLIMATE NATURAL RESOURCES

REPORT NO. 3

DATE 2-6-93

BILL NO. 58-145

—10—

[PUBLIC—No. 52.]

An act to provide for the division of Dakota into two States and to enable the people of North Dakota, South Dakota, Montana, and Washington to form constitutions and State governments and to be admitted into the Union on an equal footing with the original States, and to make donations of public lands to such States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the inhabitants of all that part of the area of the United States now constituting the Territories of Dakota, Montana, and Washington, as at present described, may become the States of North Dakota, South Dakota, Montana, and Washington, respectively, as hereinafter provided.

SEC. 2. The area comprising the Territory of Dakota shall, for the purposes of this act, be divided on the line of the seventh standard parallel produced due west to the western boundary of said Territory; and the delegates elected as hereinafter provided to the constitutional convention in districts north of said parallel shall assemble in convention, at the time prescribed in this act, at the city of Bismarck; and the delegates elected in districts south of said parallel shall, at the same time assemble in convention at the city of Sioux Falls.

SEC. 3. That all persons who are qualified by the laws of said Territories to vote for representatives to the legislative assemblies thereof, are hereby authorized to vote for and choose delegates to form conventions in said proposed States; and the qualifications for delegates to such conventions shall be such as by the laws of said Territories respectively persons are required to possess to be eligible to the legislative assemblies thereof; and the aforesaid delegates to form said conventions shall be apportioned within the limits of the proposed States, in such districts as may be established as herein provided, in proportion to the population in each of said counties and districts, as near as may be, to be ascertained at the time of making said apportionments by the persons hereinafter authorized to make the same, from the best information obtainable, in each of which districts three delegates shall be elected, but no elector shall vote for more than two persons for delegates to such conventions; that

—12—

molested in person or property on account of his or her mode of religious worship.

* Second. That the people inhabiting said proposed States do agree and declare that they forever disclaim all right and title to the unappropriated public lands lying within the boundaries thereof, and to all lands lying within said limits owned or held by any Indian or Indian tribes; and that until the title thereto shall have been extinguished by the United States, the same shall be and remain subject to the disposition of the United States, and said Indian lands shall remain under the absolute jurisdiction and control of the Congress of the United States; that the lands belonging to citizens of the United States residing without the said States shall never be taxed at a higher rate than the lands belonging to residents thereof; that no taxes shall be imposed by the States on lands or property therein belonging to or which may hereafter be purchased by the United States or reserved for its use. But nothing herein, or in the ordinances herein provided for, shall preclude the said States from taxing as other lands are taxed any lands owned or held by any Indian who has severed his tribal relations, and has obtained from the United States or from any person a title thereto by patent or other grant, save and except such lands as have been or may be granted to any Indian or Indians under any act of Congress containing a provision exempting the lands thus granted from taxation; but said ordinances shall provide that all such lands shall be exempt from taxation by said States so long and to such extent as such act of Congress may prescribe.

Third. That the debts and liabilities of said Territories shall be assumed and paid by said States, respectively.

Fourth. That provision shall be made for the establishment and maintenance of systems of public schools, which shall be open to all the children of said States, and free from sectarian control.

Sec. 5. That the convention which shall assemble at Bismarck shall form a constitution and State government for a State to be known as North Dakota, and the convention which shall assemble at Sioux Falls shall form a constitution and State government for a State to be known as South Dakota: *Provided*, That at the election for delegates to the

(12) Died September 27, 1901. (14) Died November 13, 1896. (15) Died February 3, 1903. (16) Died October 12, 1902. (17) Died July 27, 1897. (18) Died December 5, 1897. (19) Died August 17, 1894. (20) Died June 11, 1905. (21) Died January 31, 1891.

ORDINANCE NO. I.

FEDERAL RELATIONS.

BE IT ORDAINED: First. That perfect toleration of religious sentiment shall be secured and that no inhabitant of the state of Montana shall ever be molested in person or property, on account of his or her mode of religious worship.

Second. That the people inhabiting the said proposed state of Montana, do agree and declare that they forever disclaim all right and title to the unappropriated public lands lying within the boundaries thereof, and to all lands lying within said limits owned or held by any Indian or Indian tribes, and that until the title thereto shall have been extinguished by the United States, the same shall be and remain subject to the disposition of the United States, and said Indian lands shall remain under the absolute jurisdiction and control of the congress of the United States, that the lands belonging to citizens of the United States, residing without the said state of Montana, shall never be taxed a higher rate than the lands belonging to residents thereof; that no taxes shall be imposed by the said state of Montana on lands or property therein belonging to, or which may hereafter be purchased by the United States or reserved for its use. But nothing herein contained shall preclude the said state of Montana from taxing as other lands are taxed any lands owned or held by any Indian who has severed his tribal relations and has obtained from the United States or from any person a title thereto by patent or other grant, save and except such lands as have been or may be

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SENATE NATURAL RESOURCES

EXHIBIT NO. 14

DATE 2-6-95

BILL NO. SB-145

CONSTITUTION OF THE

granted to any Indian or Indians under any act of congress containing a provision exempting the lands thus granted from taxation, but said last named lands shall be exempt from taxation by said state of Montana so long and to such extent as such act of congress may prescribe.

Third. That the debts and liabilities of said territory of Montana shall be assumed and paid by said state of Montana.

Fourth. That provision shall be made for the establishment and maintenance of a uniform system of public schools, which shall be open to all the children of said state of Montana and free from sectarian control.

Fifth. That on behalf of the people of Montana, we in convention assembled, do adopt the constitution of the United States.

Sixth. That the ordinances in this article shall be irrevocable without the consent of the United States and the people of said state of Montana.

Seventh. The state hereby accepts the several grants of land from the United States to the state of Montana, mentioned in an act of congress, entitled "An act to provide for the division of Dakota into two states, and to enable the people of North Dakota, South Dakota, Montana and Washington, to form constitutions and state governments, and to be admitted into the union on an equal footing with the original states, and to make donations of public lands to such states." Approved February 22d, 1889, upon the

27 January 1995

SENATE NATURAL RESOURCES

EXHIBIT NO. 5

DATE 2-8-95

BILL NO. SB-145

This is a letter to the people of Montana.

An article in a recent issue of the Helena Independent Record gave me considerable pause. It regarded two legislative bills that would change state and federal lands into private lands. These two pieces of ill-considered, shortsighted legislation are Senate Bill 145 sponsored by Thomas Keating (R-Billings) and House Bill 218 sponsored by Roger DeBruycker (R-Floweree).

The Keating bill would transfer federal lands in Montana to the state. The DeBruycker bill would require the sale of most of the state lands. Were these two bills to pass, most of the public lands in Montana would wind up in private hands. Contemplation of such a change is depressing. This land belongs to the people. These lands are part of Montana's legacy. If these vast areas become completely private, the legacy is lost forever.

Private ownership of what was once public land will be in the hands of select (and elect). They will, I fear, close access and then exploit the land at their pleasure. Among the select, I suspect, will be individuals and corporations who will develop, extract from, and plunder the "High, Wide and Handsome" spaces that once belonged to the people. For the most part, the select will be enriched at the expense of the people.

Is it coincidence that the sponsor of Senate Bill 145 is in the petroleum industry and the sponsor of House Bill 218 is a farmer? Both endeavors are land intensive.

Montanans enjoy wide-open and accessible space. On these public lands, folks are able to hunt, fish, hike or simply enjoy the fact these places exist. Senate Bill 145 and House Bill 218 will end all that. The change these bills would cause would only result in short-term gain (as measured by posterity) for the few who have the affluence to buy these millions of acres.

The sponsors of the bills and the bills' supporters do not represent all Montanans. Rather, they represent their districts and the special economic interests with which they are allied. Talk to these lawmakers. Both bills deserve a swift, certain and permanent death.

Edward Eschler (Native Montanan)
CW04 (Ret.) U.S. Marines/AUS
606 Wintergreen Court
Helena, MT 59601

Montana Wilderness Association

P.O. Box 635 - Helena, MT 59624
(406) 443-7350

SENATE NATURAL RESOURCES
EXHIBIT NO. 6
DATE 2-6-95
BILL NO. SB-145

Statement of opposition to SB 145
of
Louise Bruce, President
Montana Wilderness Association
presented to
Natural Resources Committee, Montana Senate
February 6, 1995

SB 145 is a threat to public ownership of over 20 million acres of land in Montana. That's one fifth of the state's total area.

If the state eventually obtained ownership of federal land in Montana, it could not make the financial commitment to retain and manage those holdings, so the land would be sold. Corporate and individual ownership of the land would then lead to subdivisions, fences, locked gates, orange paint, and no trespassing signs.

Most Montanans could not compete in public land liquidation sales that would be certain to result from SB 145. As such, SB 145 represents an assault on average Montanans and the middle class.

If there is one best way by which someone could undermine middle class access to outdoor activities in our state and destroy the collective pride that Montanans feel for the wealth of public land and natural values in the state now available to all people, SB 145 is that way.



BACK COUNTRY HORSEMEN OF MONTANA



P.O. Box 5431
Helena, MT 59604

SENATE NATURAL RESOURCES

EXHIBIT NO. 7

DATE 2-6-95

BILL NO. SB-145

Senate Natural Resources Committee

Mr. Chairman, Ladies & Gentleman:

I am Bill Maloit representing the Back Country Horsemen Of Montana.

RE: Senate Bill 145

1. President Thomas Jefferson and the Congress of the United States initiated the Louisiana Purchase. Ben Franklin cut the deal with Napoleon and title to this land was transferred from France to the United States. Approved by Congress and paid for by the People of the United States.
"THE PEOPLE THE TAXPAYERS"

The State of Montana was admitted into the Union by Congress in November of 1889.

There were requirements established by the Congress representing the People of this Republic for the territorial legislature to accept to achieve statehood. This contract with the People of this Great Nation have been honored for one hundred and eleven years.

2. President Theodore Roosevelt signed the Congressional Act that created the Forest Reserves. It was his great vision of setting aside major areas as public lands and effectively protecting such areas from development.

President Theodore Roosevelt also stated "In utilizing and conserving the National resources of this Nation, the one characteristic more essential than any other is foresight".

3. Secretary of Agriculture James Wilson in 1905 wrote the following "In the administration of the Forest Reserves it must be clearly born in mind that all the land is to be devoted to its most productive use for the permanent good of the Whole People and not for the Temporary benefit of Individuals and Companies.

"NOT FOR THE TEMPORARY BENEFIT OF INDIVIDUALS AND COMPANIES"

4. Gifford Pinchot-Father of American Forestry-1907 "In all the great arid regions of the Rockies, one of the most vital reasons for making and maintaining the National Forest is to save every drop of water and make it do the most effective work".

"WATER FOR AGRICULTURE-WILDLIFE & FISHERIES"

"The Forest cover is also very important in preventing erosion and washing down silt. If the slopes are made bare and soil is unprotected the waters would carry down with them great quantities of soil".

"CLEAR CUTS VS SUSTAINED YIELD"

5. In 1983 the Administration in Washington proposed the sale of Public lands to pay off the National Debt.
Mr. James Watt also proposed oil and gas exploration in Wilderness Areas.
6. The PEOPLE of this State and this Great Nation arose against these ill conceived proposals.
7. On the anniversary of Montana's Statehood in 1989--President George Bush, speaking from the steps of this building, the Capital of Montana, said "The conservation ethic runs deep here and Montanans know more than most how much that means, how vital it is to accept our responsibilities, our stewardship of the environment".
"We hold this land in trust for the generations that come after. The air and earth are riches we cannot squander".
8. In the 1980's we endured the "Sage Brush Rebellion" led by Corporate interest. Today we have the "Wise Use Movement" Corporate interest that advocate unrestricted exploitation of our Public Land Resources, timber, minerals, grazing, oil & gas and etc. "People For The West" again mining, oil & gas are the financees and organizers of this movement.
9. The People of this Great Nation, a Republic that is for the People and by the People own these Federal Public Lands.

Perhaps this Committee should seek the advice and council of Montana's Attorney General, Joe Mazurek on this subject, "Congressional control over these Federal Public Lands is grounded in Article IV of the Constitution, known as the Property Clause.

Congress shall have the power to dispose of and make all needfull rules and regulations respecting the Territory or other property belonging to the United States; and nothing in the Constitution shall be so construed as to prejudice any claims of the United States or of any particular State".

"CONGRESS POWER OVER FEDERAL PUBLIC LANDS IS PARAMOUNT"

10. Ladies and Gentlemen of this Legislative Committee,
We respectfully request and urge you to kill this ill conceived legislation.

Thank You for Your time and consideration.



Bill Maloit
Issues Chairman
Back Country Horsemen Of Montana



BILLINGS ROD AND GUN CLUB

GRANTE NATURAL RESOURCES

LET NO. 8

P. O. BOX 33

DATE 2-6-95

BILLINGS, MONTANA

ULL NO. 28-145

Members of the Natural Resources Committee
Montana Senate, Capitol Station
Helena, MT 59620-1706

February 5, 1995

Members;

The purpose of this communication is to inform you of the position of two organizations in the Billings area regarding S.B.145 and H.B.218.

Both the Billings Rod and Gun Club, (815 families as members), and the Magic City Chapter of Trout Unlimited, (180 members) adamantly oppose the two bills designed to turn over federal lands to the state and then privatize the state land.

As outdoor recreationists one of the primary reasons we live in Montana is because this state has outstanding opportunities for hunting, fishing and other outdoor activities. Equally important is the fact that these opportunities are available to average people.

We pay a price to enjoy these privileges in terms of lower salaries, fewer career opportunities and hard winters to name just a few.

I have a degree in Forestry from the university of Montana. I specialized in Forest Recreation. It is my opinion that the chance to enjoy recreation activities on public land is also a major reason why tourists visit this state.

With tourism a major part of the state's economy, it seems strange that our political leadership would propose to sell the land and resources that bring visitors to our state.

If anyone believes that people will seek out recreation opportunities regardless of ownership, lets take a look at hunter participation in two states; Texas with almost no public land and Wisconsin with a large portion of public land including three National Forests.

Texas has three times as many people as the state of Wisconsin. It has five times as many deer and over three times the land area. But Wisconsin has twice as many deer hunters. Of course, Texas has privatized their wildlife as well as the land. But if the land is all private, the wildlife becomes de facto private as well.

If there is one action that would destroy our hunting heritage in Montana it would be to turn the public land over the big money interests from out of state.

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And surely that is where many of those school trust lands will end up. If we are to receive the highest returns for those lands as required by law, we cannot stack the deck so that a lessee has any special advantage. The expense of land surveys, cultural resource surveys and removal of range improvements will negate any profit from much of the class-one lands unless they can be sold to a buyer that is willing to pay a greater price than is justified for livestock grazing.

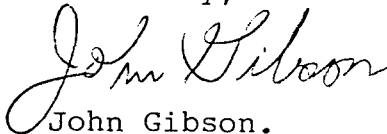
The proposal to move land from federal to state ownership, then into private hands is fraught with economic consequences, as well.

An example of this can be seen by reviewing the recent purchase by the U.S. Forest Service of some 40,000 acres in the Crazy Mountains. The four counties involved received a total of \$1788 from the private owner before the purchase. The economic analysis done by the Forest Service shows that those same counties will receive over \$13,000 now that the land is in federal ownership.

Turn these figures around. If 40,000 acres of Federal land resulted in over \$11,000 more going into county coffers. what will happen to county revenues when some 15,000,000 acres goes the other way into private ownership. There will be a massive decrease in county revenues, or the citizens of Montana will have to make up the difference.

Let me remind you, ladies and gentlemen, there are several proposals to LOWER PROPERTY TAXES on the table right now.

Sincerely;


John Gibson.

**THE MONTANA COALITION FOR APPROPRIATE
MANAGEMENT OF STATE LAND
3210 OTTAWA
BUTTE MONTANA 59701**

SENATE NATURAL RESOURCES
EXHIBIT NO. 9
DATE 2-6-95
BILL NO. SB-145

A8—The Montana Standard, Butte, Monday, February 6, 1995

Say good-bye

Two bills in the Republican-controlled Legislature would destroy the public lands heritage in Montana.

A bill by Sen. Thomas Keating, R-Billings, asks Uncle Sam to transfer federal lands within Montana to the state.

Then, another bill, by Rep. Roger DeBruycker, R-Floweree, would have Montana sell off its state lands.

It's the ultimate privatization. The two bills would take millions of acres of land out of the hands of the public and deliver them to private ownership. For corporations and rich folks, it would be the chance of a lifetime.

But if you're not rich, and if you fish, hunt, watch birds, picnic, hike or camp on public land, and want your children and grandchildren to be able to do the same, you should object to these bills.

Urge the governor to veto them both if they pass. You can call Gov. Marc Racicot at 406-444-3111, or send him a letter at the Governor's Office, State Capitol, Helena 59620-0801.

**THE MONTANA COALITION FOR APPROPRIATE
MANAGEMENT OF STATE LAND** OF NATURAL RESOURCES
3210 OTTAWA
BUTTE MONTANA 59701

CREDIT NO. 10
DATE 2-6-95
BILL NO. S.B. 145

Testimony against S.B. 145:

6 Feb.1995

The Coalition opposes S.B. 145 for the following reasons.

1. The bill, if passed, would open the door to wealthy corporations and individuals to buy millions of acres of our public lands, thus depriving future generations of Montanans to enjoy hunting, fishing, camping and recreating on these lands.
2. All the hundreds of jobs and revenue that are connected to the proper management of these public lands would be lost. The taxpayers of the state will be forced into paying these management costs.
3. Over 40 million dollars were spent in fighting fires, primarily on these lands in 1994 and nearly as much in 1988. Most of this money was furnished by the Federal government. Montana taxpayers will foot the entire bill for future fires. This will break the state.
4. Our heritage of recreating and enjoying public lands will be lost forever, forcing many future generations to look elsewhere for something to do such as drugs, crime etc. Look at examples in our neighboring states.
5. It would be a joke to think that large oil companies, mining and timber companies will pay fair market value for these public lands when they are sold. The same type of legislation as S.B. 145 will assure a bargain basement price--another taxpayer rip-off.
6. Smaller ranches that depend on public lands for grazing could not stay in the bidding against large money interests in order to save their ranching operations.
7. More subdivisions would result in the sale of public lands when small ranch operations are forced to sell out, thus taking a great deal of land out of crop production.
8. Our public wildlife that depend on public lands for their very existance would be lost to the vast majority of Mont. citizens. Our state would be simular to Texas where only the wealthy hunt on game ranches.
9. If this bill passes, "The Last Best Place" will be gone forever. Our second largest industry--tourisum and recreation and the millions of dollars that industry brings to the state will also be lost.
10. Montana citizens, who are friendly because of their much envied life style could change if they loose their beautiful forests, their clear trout streams, picturesque scenery and their Montana heritage.

Please heed the needs of your fellow Montanans and kill S.B. 145.

MULTIPLE USE OF PUBLIC STATE LAND

Tony Schoonen

DATE RECEIVED MAY 11/95
CREDIT NO. 11
DATE 2-6-95
BILL NO. SB-185

SENATE BILL 145

Lisa Schassberger Roe
531 Spencer
Helena, MT 59601

Dear Sirs:

We live in Montana because we appreciate the agricultural uses, open space, and recreation provided by federal lands. People visit, cherish and move to Montana because of the open space provided by federal lands. Transferring this land would be like shooting ourselves in the mouth. Federal lands are Montana's tourist cash cow. This bill is linked to House Bill 218 wherein it would all be sold off to the highest bidder. All of this is utter foolishness. VOTE NO ON SENATE BILL 145.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Lisa Schassberger Roe', written in dark ink.

Lisa Schassberger Roe

DATE 2-6-95

SENATE COMMITTEE ON NATURAL RESOURCES

BILLS BEING HEARD TODAY: _____

SB-145 - SB-225

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
W04(Ret.) Edward Eschler	Myself	145 + 225		✓
Ed Johns	Russell County Sportsman Assoc	145 + 225		✓
Drainne McDermand	Myself	145 + 225		✓
John Tarnowski	Self	145 + 225		✓
Gary Maxwell	Self	145 + 225		✓
Peter Jennings	Self	145 + 225		✓
Margaret E Adams	Self	145 + 225		✓
Ken Lauchner	Self	145 + 225		✓
Gracia Hilde	Self	145 + 225		✓
Barbara Giffard	myself	145 + 225		✓
DYRCK VAN HANUS	MONTANA WOOD	145 + 225		✓
Jim McDermand	Medicine River Game Club	145 + 225		✓
Chuck Kendall	Self	145 + 225		✓
JOHN GIBSON	Trout Billings P&G Unlimited	145 + 225		✓

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 2-6-95SENATE COMMITTEE ON Natural ResourcesBILLS BEING HEARD TODAY: SB 145 SB 225

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PLEASE PRINT

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Check One

Name	Representing	Bill No.	Support	Oppose
Paul F. Berg	Southeastern Mtn Sportsman Assn.	145 & 225		✓
Ron Bennett	Russell County Sportsmen	225 145 & 225		✓
Bill Marlot	Back Country Housemen of Montana	145 & 225		✓
Mark Good	Montana Wilderness Assn	145 & 225		✓
Bob Decker	Mt Wilderness Assn	145 & 225		✓
Louise Bruce	Montana Wilderness Assoc.	145		✓
Christine Ruliff	self	145		✓
FRED GEORGE	SELF	145		✓
Bill Orsello	self	145		✓
JOHN CANTLEY	MWA	145		✓
DAN SIDOR	Self	145		✓
Beth Wheatley	MWF	145 & 225		✓
Jim Reckard	MWF	145 & 225		✓
Tony Schooner	State Coalition, Stirling	145		✓

VISITOR REGISTER

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DATE 2-6-95

SENATE COMMITTEE ON Natural Resources

BILLS BEING HEARD TODAY: SB 145 SB 225

< ■ > PLEASE PRINT < ■ >

Check One

Name	Representing	Bill No.	Support	Oppose
K.L. Bliss	GARFIELD CO. TAXPAYERS	225	✓	
CHERYLE BLISS	SELF	225	✓	
L.F. Thomas	Anacosta Sportsmen	145		✓
SAM BABICH SELF	P.L.A.A.I SKYLINE M.A.F.A SPORTSMAN	145 225		✓
MARK SHARLEY	—	SB 145 225		—
Lisa Schassberger Roe	—	SB 145		✓
LISA FAIRMAN	self	SB 145		
"	"	SB 225		✓
Joe Gutkoski Pres. Boz.	Madison Gallatin Alliance	SB 225		✓
" " " "	" " "	SB 145		✓
DICK PETERSON	SELF	SB 225	✓	
—	—	SB 145	✓	
MONTY COOPER	SELF - public Access	SB 145		✓
Janet Ellis	MT Audubon	SB 145 SB 225		✓

VISITOR REGISTER

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DATE 2-6-95

SENATE COMMITTEE ON Natural Resources

BILLS BEING HEARD TODAY: SB-145 SB-225

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PLEASE PRINT

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Check One

Name	Representing	Bill No.	Support	Oppose
DA Brad Martin	MT Democratic Party	SB 145 225		✓
HUME DAVENPORT	self	SB 145 225		✓
Deborah Smith	Sierra Club	SB 145 SB 225		✓
Tony Schooner	Statewide Coalition	SB 225		✓
Jim Jensen	NIETC	SB 145 225		X
Sam Babich	SELF PLAAF MAFA	SB 225		
Larry Brown	AG Pres. Assoc	SB 145	X	

VISITOR REGISTER

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