

**MINUTES**

**MONTANA  
54th LEGISLATURE - REGULAR SESSION**

**COMMITTEE ON NATURAL RESOURCES**

**Call to Order:** By Rep. Dick Knox, Chairman, on March 8, 1995, at

**ROLL CALL**

**Members Present:**

Rep. Dick Knox, Chairman (R)  
Rep. Bill Tash, Vice Chairman (Majority) (R)  
Rep. Bob Raney, Vice Chairman (Minority) (D)  
Rep. Aubyn A. Curtiss (R)  
Rep. Jon Ellingson (D)  
Rep. David Ewer (D)  
Rep. Daniel C. Fuchs (R)  
Rep. Hal Harper (D)  
Rep. Karl Ohs (R)  
Rep. Scott J. Orr (R)  
Rep. Paul Sliter (R)  
Rep. Robert R. Story, Jr. (R)  
Rep. Jay Stovall (R)  
Rep. Emily Swanson (D)  
Rep. Lila V. Taylor (R)  
Rep. Cliff Trexler (R)  
Rep. Carley Tuss (D)  
Rep. Douglas T. Wagner (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Michael Kakuk, Environmental Quality Council  
Alyce Rice, Committee Secretary

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

**Committee Business Summary:**

Hearing: SB 231, SB 288, SB 225  
Executive Action: SB 200 Be Concurred In As Amended  
SB 147 Be Concurred In As Amended

Tape 1, Side A

HEARING ON SB 231

Opening Statement by Sponsor:

SEN. KEN MESAROS, Senate District 25, Great Falls. Written testimony. EXHIBIT 1

Proponents' Testimony:

John Bloomquist, Montana Stockgrowers Association, said SB 231 does not affect or impact other analyses conducted under the Montana Environmental Policy Act (MEPA). The bill proposes that whenever a MEPA analysis is required, actions that regulate the use of private property are evaluated to ensure that alternatives that reduce, minimize or eliminate regulatory restrictions are considered. Mr. Bloomquist urged the committee to support SB 231.

Glenn Marx, Policy Director, Governor's Office. Written testimony. EXHIBIT 2

Maureen Cleary-Schwinden, Women Involved In Farm Economics, supported SB 231.

Lorna Frank, Montana Farm Bureau, supported SB 231.

Riley Johnson, National Federation of Independent Businesses, supported SB 231.

Jim Mockler, Montana Coal Council, supported SB 231.

Peggy Trenk, Western Environmental Trade Association, Montana Chamber of Commerce, supported SB 231.

Eric Williams, Pegasus Gold Mining Company, Montana Mining Association, supported SB 231.

Carl Prinzing, Montana Association of Realtors, Missoula County Association of Realtors, supported SB 231.

Mike Murphy, Montana Water Resources Association, supported SB 231.

Frank Crowley, American Smelting and Refining Company, Rosebud Energy Association, supported SB 231.

Gail Abercrombie, Montana Petroleum Association, supported SB 231.

Opponents' Testimony:

Janet Ellis, Montana Audubon Legislative Fund, said the tone of the bill is anti-regulation. The bill is oriented to protect

private property rights from undue government regulations. Government regulations don't restrict the enjoyment of property.

Anne Hedges, Montana Environmental Information Center, said the Center opposed the bill's assumption that a lot of the regulations on private property are unnecessary. The private property rights language should be struck from the bill because it isn't clearly defined.

Joe Gutkoski, Madison-Gallatin Alliance. Written testimony.  
EXHIBIT 3

Debbie Smith, Sierra Club, opposed SB 231 because the entire premise was based on the notion that regulation of property is inherently bad, therefore it must be scrutinized to make sure that it is not undue or overly restrictive. The purpose of the bill is to intimidate agencies or bury them with so much paperwork that they won't do anything. Regulations have many beneficial effects on private property. Zoning, air quality and water quality permits are some of them. Ms. Smith urged the committee to table SB 231.

Tony Schoonen, Anaconda Sportsman's Association, opposed SB 231.  
EXHIBIT 4

J. V. Bennett, Montana Public Interest Research Group, opposed SB 231.

Jim Emerson, Self, opposed SB 231.

Wade Sikorski, Self, opposed SB 231.

Tape 1, Side B

Sam Babich, Skyline Sportsman's Association, opposed SB 231.

Informational Testimony: None

Questions From Committee Members and Responses:

REP. BOB RANEY asked SEN. MESAROS to explain where people have been losing their property rights because of MEPA that would make SB 231 necessary. SEN. MESAROS said private property rights in his district and many others have a very high priority. There has been an erosion of private property rights over the years. REP. RANEY asked SEN. MESAROS if he could give an example of someone who has lost private property rights because of MEPA. SEN. MESAROS said he didn't have an example. Private property rights as a whole have been eroded.

REP. ROBERT STORY said there has been some concern that the analyses will only take into consideration the site on which the permit is issued and not take the surrounding landowners into account. REP. STORY asked SEN. MESAROS if that was his

assessment. SEN. MESAROS said MEPA already takes economic and social effects into consideration. SB 231 focuses on regulations.

REP. STORY said there has been concern that there isn't any definition for private property and asked Mr. Bloomquist if he shared that concern. Mr. Bloomquist said he didn't share that concern. MEPA has many undefined terms. Real property interests, personal property interests, and water rights are some of the interests that are addressed in relation to property rights.

Closing by Sponsor:

SEN. MESAROS quoted President Teddy Roosevelt. "In every civilized society property rights must be carefully safeguarded. Ordinarily and in the great majority of cases human rights and property rights are fundamentally in the long run identical." SEN. MESAROS urged the committee to support SB 231.

HEARING ON 288

Opening Statement by Sponsor:

SEN. TOM KEATING, Senate District 5, Billings, said SB 288 would amend the Montana Environmental Policy Act (MEPA), but would not impact the environment. The legislation would help the development of business and industry in the state and still retain all the safeguards for the environment. MEPA states that all actions of government are major actions and thereby require an environmental impact statement (EIS) unless the department deems that it is a minor action, in which case a permit could be issued under an environmental assessment (EA). Presently, if a third party doesn't like that decision, it can file a complaint in district court saying that a permit required by the department is a major action of government and requires an EIS. There doesn't have to be proof of anything. The bill would leave the determination of whether an EIS or an EA is needed entirely to the department. In the past some people have abused the system by filing complaints without having to prove their case and the department has to go to the expense of proving its innocence. SB 288 would put the burden of proof on the person challenging the department's decision.

Proponents' Testimony:

Jim Mockler, Montana Coal Council, said an EA would cost an applicant approximately \$50,000. An EIS would cost an applicant approximately \$250,000. The burden of proof throughout the permitting process is on the applicant to show that he can meet the required specifications to obtain the permit. The bill puts an equal burden of proof on a plaintiff to show that an EA is not

sufficient. The bill is fair to those who would like to have economic activity in Montana.

**Frank Crowley, American Smelting and Refining Company, Rosebud Energy Company and Butte Mining,** said SB 288 addresses the extent to which a court is going review the department's decision. It ensures the department that there will have to be clear and convincing evidence that its decision not to do an EIS was wrong and that is a good reason for supporting this bill.

Tape 2, Side A

**Peggy Trenk, Western Environmental Trade Association, Montana Chamber of Commerce,** urged the committee's support of SB 288.

**Eric Williams, Pegasus Gold Mining Company, Montana Mining Association,** supported SB 288.

**Gail Abercrombie, Montana Petroleum Association,** said SB 288 will give agencies some security in their decision making. Ms. Abercrombie urged the committee to support SB 288.

**Russ Ritter, Montana Resources of Butte,** supported SB 288.

Opponents' Testimony:

**Anne Hedges, Montana Environmental Information Center,** said the bill takes away the public's right to see the information that the government uses to justify its actions. The government is supposed to be protecting the public and it has a right to that information. The burden should not be on the public to present the information that the department hasn't provided; the burden should be on the department that is doing the EIS or decides that it is not necessary.

**Debbie Smith, Sierra Club,** said SB 288 tells the agencies to "look before you leap, but you don't have to look too hard." The bill uses a hatchet to address abuses that are already dealt with through attorney sanctions and malicious prosecution action.

**Stan Frasier, Self,** opposed SB 288 and said there needs to be more public participation in state government.

**Sam Babich, Self,** said MEPA is there to protect the citizens of Montana. Mr. Babich urged the committee not to support SB 288.

**Ted Lange, Northern Plains Resource Council,** said the Montana Constitution guarantees the right to a clean and healthful environment. MEPA is the law that outlines the way that agencies look at their proposed actions to make sure that they preserve that right to a clean and healthful environment. MEPA works well the way it is and should not be weakened.

**Brad Martin, Director, Montana Democratic Party,** opposed SB 288.

J. V. Bennett, Montana Public Interest Research Group, opposed SB 288 and urged the committee to table it.

Joe Gutkoski, Bozeman. Written testimony. EXHIBIT 5

Tony Schoonen, Self, opposed SB 288.

Jim Emerson, Self, opposed SB 288.

Informational Testimony: None

Questions From Committee Members and Responses:

REP. HAL HARPER asked SEN. KEATING if SB 288 wasn't running counter to the theme of this legislative session which says strengthen rights of citizens and if anything, decrease the rights of government versus citizens. SEN. KEATING said he didn't think so. The permitting process is still there. The standards and criteria are all in the statutes. In the permitting process there are public hearings. All a plaintiff has to do is file his complaint in court and bring in the evidence that he is going to be hurt, whether it is something running downhill or blowing through the air. REP. HARPER said the burden of proof has been shifted to a person who wants to challenge the agency's decision which will make it more costly and more difficult for a citizen to win. He asked SEN. KEATING if the essence of the bill wasn't making it more difficult and more costly for a citizen to try to force an agency to comply with what he thinks is the law. SEN. KEATING agreed that it would be more costly.

REP. JON ELLINGSON asked Mr. Crowley for an example of an agency in Montana that had been challenged for not doing an EIS. Mr. Crowley said there are two or three cases where decisions of agencies not to do an EIS have been challenged. REP. ELLINGSON asked Mr. Crowley if the burden of proof was on the persons challenging those decisions at that time. Mr. Crowley said the burden-of-proof is typically on the plaintiff unless it is shifted later on. REP. ELLINGSON asked Mr. Crowley if SB 288 would change that. Mr. Crowley said the bill does not involve burden of proof shifting.

Tape 2, Side B

REP. BOB RANEY asked SEN. KEATING how an ordinary citizen would be able to afford the expense of providing the burden of proof when he would be fighting the government as well as the industry. SEN. KEATING said the purpose of the bill is to put the burden of proof on the plaintiff. The plaintiff must gather all of the impact information, which is public information, and give the court reasons why he thinks the information is insufficient. This would be done at the plaintiff's expense. REP. RANEY said it would be almost insurmountable for an ordinary citizen to gather the revenue, all the needed information, hire an attorney to take

his complaint against the state and the company to court, and win. **SEN. KEATING** said he was sure there were sufficient environmental groups that would come to the aid of the plaintiff.

**REP. BILL TASH** asked **John North**, Department of State Lands (DSL), if there were any recent court cases filed against the state for not doing EIS's. **Mr. North** said he could recall eight cases in the last ten years. The state won three and lost five of those cases. DSL has lost two and won one of the most recent cases filed against it.

**REP. DAVID EWER** asked **Katherine Orr**, Legal Counsel, Department of Health and Environmental Sciences (DHES) how many times DHES has been challenged for not doing an EIS. **Ms. Orr** said that during her ten-year tenure with the department she could recall only one challenge and that was made by the Church Universal and Triumphant. The challenge was regarding the scope and adequacy of the EIS. The department won the case.

**REP. RANEY** asked **Ms. Orr** if it was true that even though the department won the overall case, it had to do the scoping process over. **Ms. Orr** said there was an earlier case around 1987 involving the Church Universal and Triumphant that was a scope challenge. Later, there was a question about whether the cumulative impacts throughout the valley were sufficiently considered. The state did enlarge the scope of its analysis.

**REP. RANEY** asked **Ms. Orr** if the department had to do the EIS again. **Ms. Orr** said the department agreed to do a supplemental EIS after the initial challenge.

Closing by Sponsor:

**SEN. KEATING** said the complaints he has seen filed have been by groups and rarely by an individual. The reasons for the complaints were to slow down the process so the applicant would have to pay more money, which would discourage him from continuing with the project. The bill will relieve the pressure put on state agencies and they will be able to do a better job. The environment will still be protected and it might encourage more development, more jobs and a better economy.

Tape 3, Side A

HEARING ON SB 225

Opening Statement by Sponsor:

**SEN. DARYL TOEWS**, Senate District 48, Lustre, said SB 225 proposes the sale of state lands in certain counties. In Daniels County about 24% of the lands are owned by the state. In the western half of the county over 50% of the lands are owned by the state. Most of the other counties in the state have about six percent of state-owned lands. State lands in excess of five

percent of the total land area of a county would be sold at a public auction over a number a years. Priority would be given to the most isolated tracts and the next highest priority would be given to lands generating the lowest return on investment. Daniels County doesn't have enough money to make needed improvements. The courthouse is in need of repair and the health officials might shut it down. There is an amendment to the bill that would give the first sale priority to lessees who wish to have their leased land put up for sale. The amendment also states that not more than 640 acres of state land held by a lessee may be sold in any three-year period without the mutual consent of the lessor and the lessee. EXHIBIT 6 All the money from the sales would go to the school trust fund. SEN. TOEWS distributed information on Montana State Lands that lists land types, acres and approximate values. EXHIBIT 7

Proponents' Testimony:

**K. L. Bliss, Rancher, State Land Lessee, Garfield County Taxpayers and Stockgrowers Association.** Written testimony. EXHIBIT 8

Tape 3, Side B

**Mary Ann Murray, Rancher, State Land Lessee,** said the interest from the sale of state lands will generate more money than is currently being generated through leases and would serve as a good pilot program. **Ms. Murray** urged the committee to support SB 225.

**Cathy Murnion, Rancher, State Land Lessee.** Written testimony. EXHIBIT 9

**Cheryle Bliss, Rancher, State Land Lessee, Women Involved In Farm Economics.** Written testimony. EXHIBIT 10

**Maureen Cleary-Schwinden, Women Involved in Farm Economics,** supported SB 225 but expressed concern about the people that have been leasing state lands for years and may not have the money to purchase them.

**John Bloomquist, Montana Stockgrowers Association,** supported SB 225.

Opponents' Testimony:

**Tony Schoonen, State Lands Coalition, Anaconda Sportsman's Club.** Written testimony. EXHIBIT 11

**Stan Frasier, Self,** opposed SB 225.

**Sam Babich, Skyline Sportsman's Association, Montana Action for**



**Access Association**, said SB 225 opens the door for the sale of public lands in the State of Montana which is eventually going to privatize the entire state and leave nothing for the public.

**John Daggett, Valley County Sportsman's Club.** Written testimony.  
**EXHIBIT 12**

Tape 4, Side A

**John Gatchell, Montana Wilderness Association**, said the state has an obligation to seek the highest bid even if it comes from real estate markets far removed from Montana. The Department of State Lands has already received inquiries from realtors in Washington and California who represent wealthy clients that are interested in large tracts of public lands. These investors recognize that land is a good long term investment and one of the few investments that offers a hedge against inflation. Years ago the state legislature in Oklahoma passed legislation that required the sale of state lands and eventually liquidated approximately 75% of their state school trust lands. In 1993 the Land Office Commissioner conducted a study that showed the state school trust fund suffered staggering losses over a long period of time because of the loss of the principal of those lands. The conclusion was that the retention of land will provide seven times more income than investing in securities. The State of Oklahoma estimated that if it had retained the trust lands the income would have been approximately \$30 million annually to the school trust fund. Instead, the income from the leases was \$6.5 million in FY 92.

Although the sale starts with isolated state lands, it proceeds onto lands that are not isolated and that means that it will block access to state lands for hunting and outdoor recreation opportunities now utilized by the people of Montana. Montana has one of the lowest percentages of public lands in the west. State lands that may end up in the hands of wealthy investors rightfully belong to the younger generations of Montana.

**Brad Martin, Montana Democratic Party**, opposed SB 225.

**Dave Majors, Sportsman**, opposed SB 225.

**Jim McDermond, Sportsman**, said SB 225 is merely a smoke screen sibling to previously introduced bills to ensure that Montana's state lands will be sold in bits and pieces. SB 225 is selfishness at its finest that excludes the majority of the Montana public.

**Ron Bennett, Russell Country Sportsmen**, said the land will always be there; the money just seems to go.

**Janet Ellis, Montana Audubon Legislative Fund.** Written testimony. **EXHIBIT 13**

**Jim Richard, Montana Wildlife Federation,** said he recognized the fact that Daniels County has financial problems but was not sure that selling state trust lands was the answer.

**Bob Rooney, Self,** urged the committee to not support SB 225.

**Ed Johns, Russell Country Sportsmen,** opposed SB 225.

**Joe Gutkoski, Madison-Gallatin Alliance.** Written testimony.  
**EXHIBIT 14**

**Ed Carney, Self.** Written testimony. **EXHIBIT 15**

Informational Testimony: None

Questions From Committee Members and Responses:

**REP. CLIFF TREXLER** asked **Mr. Bliss** if hunters could hunt on the state lands that he leased. **Mr. Bliss** said not without his permission.

Tape 4, Side B

**REP. BILL TASH** asked **SEN. TOEWS** if land exchanges had been considered or would be an option. **SEN. TOEWS** said last legislative session there was a bill that addressed that but it failed. This session a bill was introduced that addressed exchange of lands but it also failed.

**REP. BOB STORY** asked **Bud Clinch, Commissioner, Department of State Lands,** how many acres of state lands are in Montana. **Mr. Clinch** said there are 5.2 million acres of state lands. **REP. STORY** asked **Mr. Clinch** how many acres would be disposed of. **Mr. Clinch** said the legislation proposes disposal of 264,192 acres, which would be about five percent of state-owned lands.

**REP. DOUG WAGNER** asked **Mr. Clinch** if he considered the land that is being proposed for sale to be public land. **Mr. Clinch** said neither the legal staff nor the department perceived it as true public land. Bureau of Land Management land and Forest Service land would be considered true public land.

**REP. RANEY** asked **Mr. Clinch** if it wouldn't be better to sell the more valuable state lands that have access to them first since the state gets the about the same return whether the lands are isolated or not. That way there would be true auction bidding. **Mr. Clinch** said those tracts of land that currently have access will probably have multiple bidders for grazing returns. The accessible lands will probably bring a potentially higher bid in the auction process. **REP. RANEY** asked **Mr. Clinch** if the highest bidder would get the land or if the present lease holder would have the right to match the highest bid. **Mr. Clinch** said the lessee has the option to meet the highest bid. Once that

happens, the bidding process is open again until the true high bidder is determined.

**CHAIRMAN KNOX** asked **Mr. Bloomquist** if he believed the lessee would have the ability to trigger the land sale under the proposed amendments. **Mr. Bloomquist** said the amendments establish priorities. The first sale priority would be given to lessees who wish to have their leased land put up for sale, however, the sales wouldn't be completely lessee triggered. The lessee wouldn't necessarily have control over triggering the sale.

Closing by Sponsor:

**SEN. TOEWS** said the citizens of Daniels, Valley, Garfield and Phillips counties are not asking for general fund property tax relief. They only want the same property taxes as the surrounding counties, not two or three times higher. These citizens are only asking for a little bit of help. **SEN. TOEWS** urged the committee to support SB 225.

Tape 5, Side A

EXECUTIVE ACTION ON SB 200

Motion: **REP. KARL OHS** MOVED SB 200 BE CONCURRED IN.

Motion/Vote: **REP. PAUL SLITER** MOVED THE AMENDMENTS TO SB 200. EXHIBIT 16 Voice vote was taken. Motion carried unanimously.

Motion: **REP. BILL TASH** MOVED SB 200 BE CONCURRED IN AS AMENDED.

Discussion:

**REP. TREXLER** said SB 200 is unnecessary. The banks have a disclosure statement now.

Vote: Voice vote was taken. Motion carried 16 to 2. **REP. CLIFF TREXLER** and **REP. BOB RANEY** voted no.

EXECUTIVE ACTION ON SB 147

Motion: **REP. HAL HARPER** MOVED SB 147 BE CONCURRED IN.

Discussion:

**Gary Fritz**, Department of Natural Resources, explained **SEN. HERTEL's** amendments to SB 147. EXHIBIT 17

Motion/Vote: **REP. HARPER** MOVED **SEN. HERTEL's** AMENDMENTS. Voice vote was taken. Motion carried 17 to 1. **REP. DANIEL FUCHS** voted no.

Motion: REP. HARPER MOVED REP. EWER'S FIRST AMENDMENT.

Discussion:

REP. HARPER explained the amendment and said if it failed he would offer REP. EWER'S second amendment. The first amendment states that the department may not make additional land available for cabin site leases after the effective date of the Act.

EXHIBIT 18 The second amendment states that the department rules must include rules requiring the advertisement of public notice of the availability of cabin site leases available after the effective date of the Act. EXHIBIT 19

REP. KARL OHS said he liked the second amendment better because it wasn't as restrictive.

REP. CLIFF TREXLER said the second amendment should be voted on first.

REP. HARPER withdrew his motion on REP. EWER'S first amendment.

Motion: REP. HARPER MOVED REP. EWER'S second amendment.

Discussion:

REP. LILA TAYLOR asked Mark Simonich, Director, Department of Natural Resources, how the department advertised the availability of cabin site leases at the present time. Mr. Simonich said the department doesn't advertise at the present time. The last cabin site lease that the department issued was in 1971. It is not the intention of the current administration to continue leasing cabin sites. However, some time in the future the state might find a valid reason to continue leasing.

REP. JAY STOVALL said he was against the amendments because Mr. Simonich has made an agreement with the present cabin owners and the amendments would just muddy the waters.

REP. TREXLER said he liked the second amendment because it leaves the door open in the event the state wants to continue leasing cabin sites some day. It doesn't say that it has to be done.

Tape 5, Side B

REP. DOUG WAGNER asked Mr. Simonich if all the land around the reservoirs has been leased. Mr. Simonich said not all the land is leased. Usually there is just a small strip around a portion of the reservoirs that is leased.

REP. BOB RANEY said he was against the amendment because there shouldn't be any more leasing of cabin sites. The rest of the land around the reservoirs should be kept for public use.

NATURAL RESOURCES COMMITTEE

March 8, 1995

Page 13 of 14

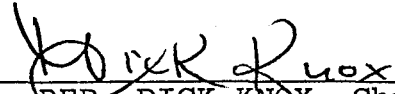
Vote: Voice vote was taken. Motion on REP. EWER'S second amendment failed on a tie vote of 9 to 9.

Motion/Vote: REP. HARPER MOVED REP. EWER'S FIRST AMENDMENT. Voice vote was taken. Motion failed 16 to 2. REP. RANEY and REP. EWER voted yes.

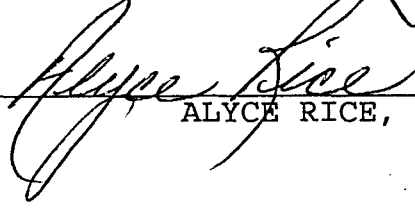
Motion/Vote: REP. EMILY SWANSON MOVED SB 147 BE CONCURRED IN AS AMENDED. Voice vote was taken. Motion carried 17 to 1. REP. RANEY voted no.

ADJOURNMENT

Adjournment: 7:30 pm



REP. DICK KNOX, Chairman



ALYCE RICE, Secretary

DK/ar

# HOUSE OF REPRESENTATIVES

## Natural Resources

ROLL CALL

DATE 3-8-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Dick Knox, Chairman	✓		
Rep. Bill Tash, Vice Chairman, Majority	✓		
Rep. Bob Raney, Vice Chairman, Minority	✓		
Rep. Aubyn Curtiss	✓		
Rep. Jon Ellingson	✓		
Rep. David Ewer	✓		
Rep. Daniel Fuchs	✓		
Rep. Hal Harper	✓		
Rep. Karl Ohs	✓		
Rep. Scott Orr	✓		
Rep. Paul Sliter	✓		
Rep. Robert Story	✓		
Rep. Jay Stovall	✓		
Rep. Emily Swanson	✓		
Rep. Lila Taylor	✓		
Rep. Cliff Trexler	✓		
Rep. Carley Tuss	✓		
Rep. Doug Wagner	✓		




## HOUSE STANDING COMMITTEE REPORT

March 9, 1995

Page 1 of 2

Mr. Speaker: We, the committee on Natural Resources report that Senate Bill 200 (third reading copy -- blue) be concurred in as amended.

Signed:

  
Dick Knox, Chair

Carried by: Rep. Quilici

And, that such amendments read:

1. Title, line 12.  
Following: "DATE"  
Insert: "AND AN APPLICABILITY DATE"
2. Page 3, line 24.  
Following: "PART."  
Insert: "For the purposes of 75-10-715(7), the term does not include the state, a state agency, or a political subdivision of the state acting as trustee of natural resources within the state of Montana."
3. Page 4, line 13.  
Following: "~~such~~"  
Insert: "such"
4. Page 7, line 3.  
Strike: "75-10-711(5)"  
Insert: "this part"
5. Page 14, line 21.  
Strike: "THAT"
6. Page 15, line 16.  
Following: "INTEREST,"

Committee Vote:  
Yes 16, No 2

551416SC.Hbk



March 9, 1995

Page 2 of 2

Insert: "actually"

7. Page 15, line 20.

Strike: "BUT NOT"

Insert: "as opposed to"

8. Page 17.

Following: line 7

Strike: "NEW SECTION. Section 6. Applicability. [This act] does not apply to civil actions commenced prior to the [effective date of this act] or to the claims upon which such civil actions are based."

Renumber: subsequent section

-END-



## HOUSE STANDING COMMITTEE REPORT

March 9, 1995

Page 1 of 1

Mr. Speaker: We, the committee on Natural Resources report that Senate Bill 147 (third reading copy -- blue) be concurred in as amended.

Signed:

  
Dick Knox, Chair

Carried by: Rep. Tash

And, that such amendments read:

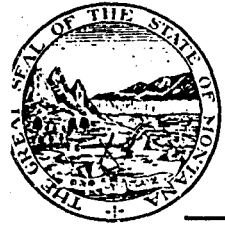
1. Page 2, lines 1 through 4.  
Strike: subsections (2) and (3) in their entirety  
Re-number: subsequent subsections
2. Page 2, line 14.  
Strike: "IMMEDIATE FAMILY"
3. Page 3, lines 11 and 12.  
Strike: subsection (2) in its entirety.  
Re-number: subsequent subsections
4. Page 5.  
Following: line 5  
Insert: "(e) sell, lease, or otherwise dispose of water impounded under this chapter;"  
Re-number: subsequent subsections

-END-

Committee Vote:  
Yes 7, No 1.

551415SC.Hbk

# MONTANA STATE SENATE



SENATOR KEN MESAROS  
SENATE DISTRICT 25  
HOME ADDRESS:  
2191 MILLEGAN ROAD  
CASCADE, MONTANA 59421

COMMITTEES:  
FISH & GAME, CHAIR  
STATE ADMINISTRATION,  
VICE-CHAIR  
LEGISLATIVE ADMINISTRATION,  
VICE-CHAIR  
EDUCATION & CULTURAL RESOURCES

CAPITOL BUILDING  
HELENA, MONTANA 59620-0500  
PHONE (406) 444-4800  
HOME PHONE (406) 666-3348

EXHIBIT  
DATE 3-8  
SB 231

March 8, 1995

Representative Dick Knox, Chairman  
House Natural Resources Committee

Mr. Chairman and Members of the House Natural Resources Committee:

I am Senator Ken Mesaros and I am the chief sponsor of SB 231. As the committee knows, the actions of state agencies in many instances involve the regulation of private property in the State of Montana. The issue of regulatory restrictions by state agencies on the use of private property has been a concern expressed by many property owners throughout the state.

My efforts to establish a process whereby state agencies would analyze the regulatory restrictions which may be placed on private property by state actions has led to SB 231. SB 231 uses an established procedural mechanism, the Montana Environmental Policy Act (MEPA), and directs state agencies to consider alternatives which reduce, minimize or eliminate regulatory restrictions of proposed actions of state agencies which require MEPA analysis and which involve regulatory restrictions on private property.

SB 231 does not affect any analysis presently conducted or authorized under MEPA. SB 231 simply states that when state action triggers the MEPA analysis, and when that state action involves regulatory restrictions on private property, an analysis will be conducted on alternatives to the proposed action which may reduce, minimize or eliminate the regulatory restrictions on private property. This analysis need not be conducted if MEPA is not involved, or if the action does not involve regulatory restriction of private property.

SB 231 does not require that state agencies evaluate all property implications of state government actions. SB 231 focuses on actions that place regulatory restrictions on private property and uses the present MEPA process as the mechanism. SB 231 is intended to ensure that MEPA remain supplementary to other laws and duties while not precluding ongoing programs of state government.

Thank you.

EXHIBIT 2  
DATE 3-8-95  
SB 231

TESTIMONY ON SENATE BILL 231  
HOUSE NATURAL RESOURCES COMMITTEE  
GLENN MARX, GOVERNOR RACICOT OFFICE  
MARCH 8, 1995

Mr. Chairman, for the record my name is Glenn Marx and I serve as policy director for Governor Marc Racicot.

Senate Bill 231 takes a common sense approach to private property protection by simply making a reasonable and practical addition to the Montana Environmental Policy Act.

The provisions of this bill give clear guidance for agencies to analyze any state action which may have an adverse impact on private property. The bill reflects the MEPA intent of impact disclosure followed by an examination of possible options which could reduce potential adverse impacts.

Private property rights are essential in our democracy and SB 231 presents an effective, common sense approach to respect those rights.

Governor Racicot encourages your approval of this bill.

EXHIBIT 3  
DATE 3-8-95  
SB 231

HOUSE OF REPRESENTATIVES

H. Natural Res. Comm. COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

Sen. Mesavos.

NAME Joe Gutkoski BUDGET S-231

ADDRESS 304 N. 18th. Av. DATE 3-8-95

WHOM DO YOU REPRESENT? Pres. Madison Callatin Alliance

SUPPORT \_\_\_\_\_ OPPOSE  AMEND \_\_\_\_\_

COMMENTS: Private property rights are protected in the  
St. Constitution and Sen. Mesavos's bill is not needed.  
Although this bill has been watered down sufficiently  
that it has little impact on govt. agency actions, we  
still oppose it because it makes a wrong statement  
and president.

We support <sup>priv.</sup> prop ownership & all of the benefits & privileges  
of owning private property. These rights & privileges  
are already protected sufficiently in our body of laws  
now in force in the state. This legislation is not needed  
and will only be a burden on agencies managing  
the public & private resources

# GIVINGS VS. "TAKINGS"

In the last several years, the United States Supreme Court has agreed to hear several cases that raised questions about the boundaries between government regulation and private property rights. Although academic debate continues about the legal significance of those cases, their impact has been felt at federal, state and certainly local levels of government around the country.

"Takings" refers to the legal theory that property owners are entitled to taxpayers' dollars if they're prevented by environmental protection laws from activities such as filling in a wetland, dredge-mining a river bottom or polluting the air. The "takings" flag is also waved when developers want to upgrade zoning from an open space or agricultural designation to residential or other more intense use, which often means loss of wildlife habitat and substantial gain in the property's cash value.

In *Takings Law—A Guide to Government, Property, and the Constitution*, lawyers for the Land and Water Fund of the Rockies, a nonprofit legal foundation based in Boulder, Colo., describe the history of private property law in this country, define a "taking," and suggest that much of the bluster is just that: hot air. That air is blowing up dust to confuse the real intent of takings proponents, which is to remove all land use restrictions and, in the case of publicly owned land, place it in private hands.

To date, they have been remarkably successful in creating dust. Most people, and even attorneys and officials charged by law with doing it, flinch at the idea of the government seizing land. It's not surprising, given our cultural background. As James Howard Kunstler points out in *The Geography of Nowhere*, "America's were the most liberal property laws on earth when they were established. The chief benefits were rapid development of the wilderness,

equal opportunity for those with cash and/or ambition, simplicity of acquisition, and the right to exploitation.... American land law was predicated on the paramount principle that land was first and foremost a commodity for capital gain. Speculation became the primary basis for land distribution—indeed, the commercial transfer of property would become the basis of American land-use planning, which is to say hardly any planning at all."

The backlash to that exploitation is the environmental movement of the past 25 years. And the backlash to that is the "Wise Use Movement," which champions takings.

"Nearly eradicated in the rush to profit," Kunstler observes, "was the concept of stewardship, of land as a public trust: that we who are alive now are responsible for taking proper care of the landscape so future generations can dwell in it in safety and happiness." Stewardship and exploitation are running smack dab into each other in Idaho, thanks to jobs creation and population growth. When that happens, the "takings" cry comes quickly to some developers' or would-be developers' lips.

Unfortunately, in discussions of property rights at the local, state and federal levels, "takings" have overshadowed "givings." In many instances, when a single property owner threatens to file a takings lawsuit, several hundred or even thousands of other citizens could step up to the plate and countersue. They're taxpayers, too. Their values and quality of life are threatened by the proposed development. They're being asked to give—their tax dollars, property value and less tangible things like opportunities to hunt and fish. By far the greater number of real takings are from them.

"Givings" also refers to the many times a developer gains value at the expense of environmental quality.

Society, by preserving lake and stream setbacks, wildlife habitat and open space, is adding value to that property and the land around it. Wise, conscientious developers will appreciate that giving and work within the parameters set up to protect it as they go about changing their land. Wise, conscientious homeowners will consider the effects on wildlife of the choices they make about their own land, as noted on page 12.

If this sounds self-serving, it is. The Department of Fish and Game is an arm of government. However, we're into giving, not taking: giving people opportunities to experience the wonder, excitement and adventure associated with fish and wildlife on so many levels.

This editorial is self-serving only because our agency is serving you, the people who buy hunting and fishing licenses, watch all kinds of wildlife and want to settle down near streams, forests and fields healthy and diverse enough to support the fish, birds, mammals, reptiles and insects that compose its living tapestry. Our charge, whether as law enforcers or law abiders, is to consider *all* the "givings" and "takings" in our lives and be mindful of maintaining the appropriate balance between them.

EXHIBIT 5  
DATE 3-8-95  
SB 288

HOUSE OF REPRESENTATIVES

H. Natural Res. Comm. COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

NAME Joe Gotskoski BUDGET S-288

ADDRESS 304 N. 18th. Av. DATE 3-8-95

WHOM DO YOU REPRESENT? Pres. Madison Gallatin Alliance

SUPPORT \_\_\_\_\_ OPPOSE  AMEND \_\_\_\_\_

COMMENTS: The Montana Enviro. Policy Act has been functioning very well & does not need any additions & revisions to the existing NEPA process.

This legislation would make it more difficult for private citizens to bring appeals to resource activities that would negatively effect their property or interests.

Amendments to Senate Bill No. 225  
Third Reading Copy

EXHIBIT 6  
DATE 3-8-95  
SB 225

Requested by Sen. Toews  
For the Committee on Natural Resources

Prepared by Doug Sternberg  
March 2, 1995

1. Page 1, line 15.

Following: "SHALL"

Strike: "GIVE THE HIGHEST SALE PRIORITY"

Insert: "establish sale priorities in the following order:

- (a) the first sale priority to lessees who wish to have their leased land put up for sale;
- (b) the second sale priority"

2. Page 1, line 16.

Following: "LAND"

Insert: " ; "

Following: "AND"

Strike: "THE NEXT HIGHEST SALE PRIORITY"

Insert: "(c) the third sale priority"

3. Page 1, line 19.

Following: "2013"

Insert: ", except that sales of land in Daniels County may be extended to 2020"

4. Page 1, line 24.

Following: "year."

Insert: "Not more than 640 acres of state land held by a lessee may be sold in any 3-year period without the mutual consent of the lessor and the lessee."

5. Page 1, line 25.

Strike: "30%"

Insert: "20%"

Strike: "10"

Insert: "20"



SB 225

Sen. Day & Tacey

EXHIBIT  
DATE 3-8-95  
SB 225

MONTANA STATE LANDS

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

	<u>PRESENT</u>	<u>LAND SOLD</u>	<u>CONSOLIDATED</u>
Lease	1,007		2,015
Interest on Priciple		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
<b>TOTAL ACRES</b>	<u><u>5,863,646</u></u>	<u><u>5,131,686</u></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

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 Hibaux	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%

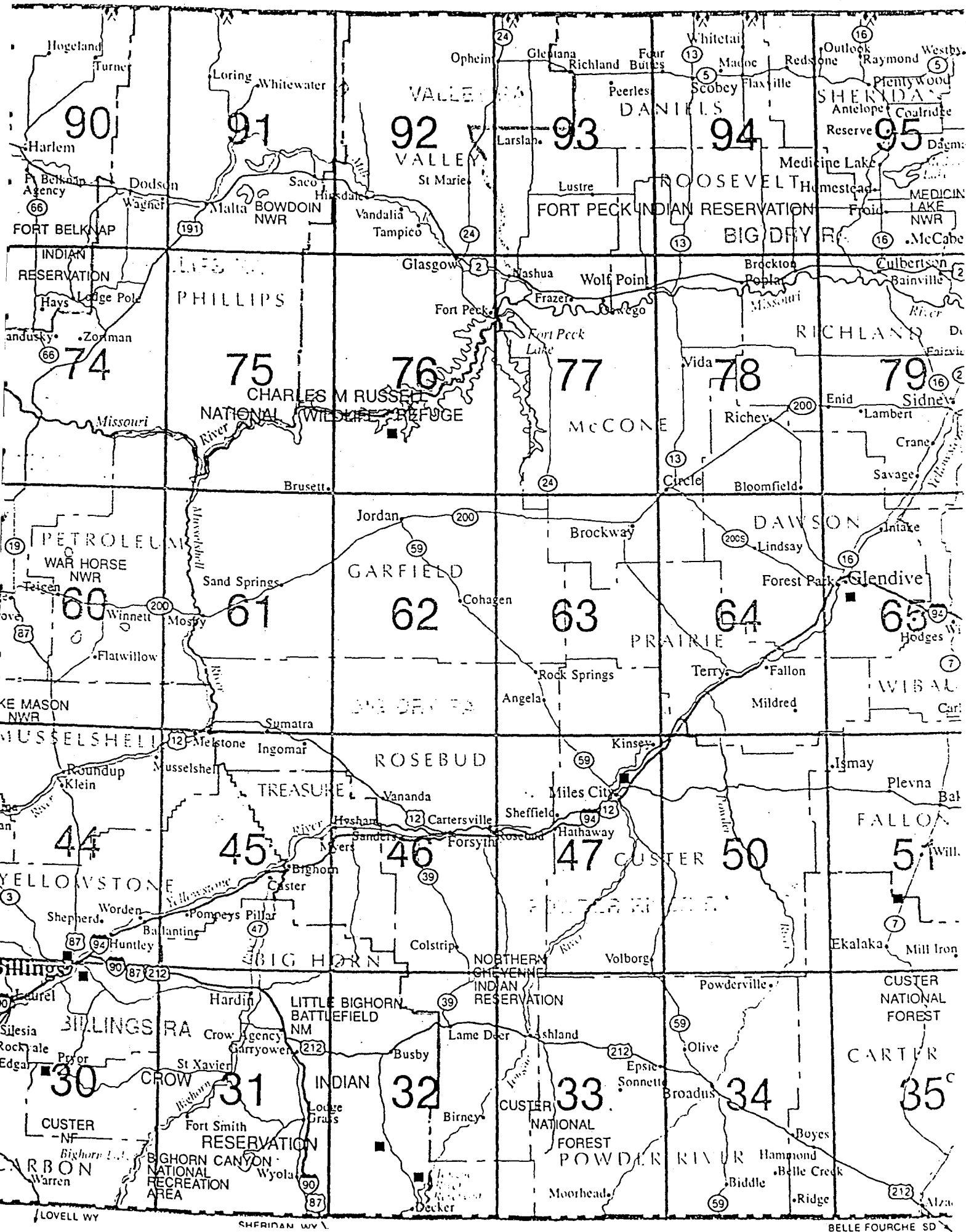


EXHIBIT 8  
DATE 3-8-95  
SB 225

3-8-95

Mr. Chairman and Members of the Committee:

I'm K.L. Bliss, a rancher and State Land lessee from Sand Springs, Mt.

I'm here representing my family and, also, the Garfield County Taxpayers & Stockgrowers Association, of which I am a director and Vice President.

I urge you to support Senate Bill #225 and the amendments offered by the bill's sponsor, Senator Toews.

This bill will provide an excellent pilot program that will allow the state to examine the sale process and refine it on a limited scale. The benefits and or problems of selling State Lands will be confined to only 4 counties of the State and we are willing to participate in this process.

The amendment to have a lessee initiated sale will protect the lessees who, for whatever reason, choose not to purchase their state leased land.

The sale of state land will provide<sup>a</sup> much needed tax base to the counties, provide greater return to the school trust through the investment of the money generated by these sales. A sale will provide protection and control for the landowners who now lease state land.

There is an element of people in this state working under the auspices of sporting groups that will settle for nothing less than the abolition of private property rights so they can go anywhere, any time! And they have demonstrated their desire to do this, using the isolated tracts of state land as a vehicle to force access onto privately owned property.

Because of the 5% amendment to the original bill, very little land would be sold in Garfield and Phillips counties and these would be isolated tracts because they are required to be sold first. The sale of these lands will not impact the sportsmen because these lands are not open NOW without landowner permission. The deer and antelope certainly don't care who has the deed to the land.

So that everyone understands what we are talking about when we say "ISOLATED" tracts, I would like to give you an example of an isolated tract in Garfield County. (sample photos)

The only thing that isn't typical is the fact that it's 1600 acres where most tracts are 640 acres or less. We also have 2 other 320 acre tracts on this ranch that are not used in this example.

The reason I chose this tract is that it is in the middle of our ranch. This 1600 acre tract consists of low rolling hills covered by grass and sagebrush. Not particularly scenic as the indicated photos 1,2, & 3 will show.

This tract has no legal access as it is surrounded entirely by our deeded land. It is critical to our operation because of its size and central location.

This is why we would like to purchase it as it represents a threat to our operation if we lose control of it. And you can be assured we are prepared to bid on it, if you will give us that chance.

Based on current figures from the Garfield County Assessor's Office, this tract contains 1,186 acres of Grade 3 grazing land, 293 acres of Grade 4 grazing land, and 121 acres of Grade 5 grazg land.

The 1600 acres have a market value of \$44,466.00 and a taxable value of \$1716.00.

If this property was sold, it would currently generate \$482.23 in taxes. This \$482.23 is broken down as follows:

\$217.62	to the County General Fund
48.05	to County Road Fund
2.57	to Conservation District
40.67	General School Fund
10.30	State University
163.02	for the State, 95 mills school tax

This gives a total of \$268.24 to the County and \$213.99 direct to the schools.

This tract should appraise for somewhere around \$50 to \$70 an acre. If we use a selling price of \$60.00 an acre X 1600 acres, we would have a total price of \$96,000.00, less 10 % commission to sell the property. The state would receive \$86,400.00. If we use the figures that the budget office used of 8½% return on the School Trust Fund, the \$86,400.00 would earn \$7,344.00 in interest. Plus \$213.99 direct tax to the schools which is 4.7 times the current lease of \$1,604.28.

Even if you were to take the first 5 % of the interest rate and put that back into the Permanent Trust Fund to allow for the appreciation of land, The remaining 3½% of interest would generate \$3,024.00 in interest plus the \$213.99 in taxes for a total of \$3,237.99 for the schools or TWICE the current lease rate.

If this property goes for 2 or 3 times what it's worth, as some people would have you believe, then the state would realize 2 or 3 times these returns.

While there may be isolated cases of these lands selling for far more than they are worth, you should remember that there are thousands of tracts of private land for sale around the state at or near market price. I am sure that if I had an unlimited supply of



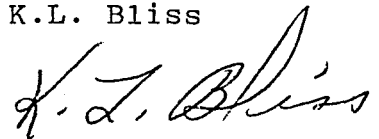
money and was foolish enough to pay 2 or 3 times what land was worth, I could drive down any highway in the state stopping at people's places and offering them 2 or 3 times what their place was worth, I could buy an awful lot of land.

I ask you to support Senate Bill #225. It will be good for the State, the Counties, and in the long run, for the ranchers themselves.

I would also remind you that those ranchers who would oppose the sale for fear they might lose their leased land if they tried to purchase it, are at risk now for they can be outbid every time their lease comes up for renewal. It is happening right now around Miles City.

Thank You,

K.L. Bliss

A handwritten signature in cursive script that reads "K.L. Bliss". The signature is written in dark ink and is positioned below the typed name.

*I have been authorized to <sup>read testimony</sup> speak for Cathy Murnion of Ingomar.*

MARCH 8, 1995

EXHIBIT 9  
DATE 3-8-95  
SB 225

House Natural Resources Committee RE: SB225

Mr. Chairman and members of the committee, my name is Cathy Murnion. My husband and I are farmers/ranchers in Garfield County. We are also state land lessees.

We are in support of Senate Bill 225 which allows for the sale of state lands that are in excess of 5 % of the total land area of a county. We support lessee initiated sales of isolated parcels and also feel this should include non-recreational lands such as those which surround homesites. Much of the land in these counties are not appealing for the recreationist. It is our feeling that it is not the state's responsibility to provide recreation for their population. The more important responsibility is education.

While there will be some initial costs in the selling of these lands, we feel the sales of these lands will generate more revenue for the support of the schools in our state. When put into a trust fund for education, the interest from these monies will continue to provide more revenue than is currently being received. At the same time, the return of these properties to the private ownership will be a benefit to the counties by increasing their tax base.

We urge you to support Senate Bill 225. Thank You.

Cathy Murnion  
Box 97  
Ingomar, MT 59039

*Cathy Murnion*

3-8-95

EXHIBIT 10  
DATE 3-8-95  
SB 225

Mr. Chairman and Committee Members:

I'm Cheryle Bliss from Sand Springs, <sup>in Garfield Co.</sup> Mt. I'm a farmer, rancher, member of W.I.F.E., and a State Land Lessee.

I would encourage you to pass Senate Bill #225.

It is very important to us to be able to purchase the State Land we now lease. This land is an integral part of our ranching business. We have taken care of the grass all these years of leasing and we would appreciate the opportunity to purchase the land.

We attended a meeting in Peerless, Mt. with many people from these affected counties. The large majority of these people FAVORED this bill with the lessee initiating the sale.

It has never been clarified how this auction is to be held, but I would favor a sale conducted on the courthouse steps with the bidders and lessee present.

The sale of state lands is important to the schools. The number of families moving into Montana is increasing the need for more schools, and the need for improved school programs, making the sale of state lands very attractive as a new source of revenue. The money from the sale MUST be put into a PERMANENT TRUST FUND to be used only for the schools. The way it is now, the state receives some 1 to 1½% return off its lands and selling the land and putting the money into a fund currently earning 8½% would not only greatly increase the return to the state, but would place the lands on each counties tax rolls.

The State would finance this sale at the terms outlined by Senator Toews. Our local bank says that they would desire 30 to 40% down payment because the loan to value maximum for ranch land is 60 to 70% with a 10 year term. Of course, you could get more desirable terms based upon your credit history, type of land, net asset ratio, collateral to debt, etc.

Limiting the acres of land sold would keep the real estate market steady. We don't want to tip the scales and see the real estate market unbalanced. In Garfield County, we would only be allowed to sell a few hundred acres per year.

This sale of state lands is to be extended over an 18 year period which would INSURE that the EFFECTS of the sale of State Land would be spread out over many years.

The first lands to be effected by this sale would be the "ISOLATED" tracts, which to me means: Lands totally surrounded by deeded land of one or more owners, without legal access such as an established county road. These tracts are vital to many ranches because the State Land is located in the middle of these ranches. There is no legal access now to many isolated state tracts so-without a bill eliminating private property rights to force access, there is noway this isolated land can be used for other purposes--SO WHY NOT SELL IT?

Before the State Land is sold, I feel that there must be an appraisal by an appraiser from the local area. We have approximately 8 certified appraisers within 100 miles of our property. There's about 300 appraisers State wide to handle these state land appraisals.

You will hear a lot of selfish testimony today against the sale of State Lands. An example of this is an open letter published

in the Billings Gazette from the Mt. Wildlife Assn, Billings Rod and Gun Club, and Billings Audubon. NOT ONCE did they address the real issue of the school children and maximizing the return to the School Trust Fund for which these lands were granted to the State. This bill is about economics and taxes, not bird watching and snow-mobiling on a pile of money. You cannot spend APPRECIATION. Appreciation of land will not educate children any more than it will feed cows. You can only realize a real return when the land is sold.

This sale of State Lands benefits our School System, our counties, and the ranching business. I encourage your support of Senate Bill #225 and the amendments.

Thank you,

*Cheryle Bliss*

Cheryle A. Bliss

Rural Route  
Sand Springs, MT 59077  
406-557-6197

**THE MONTANA COALITION FOR APPROPRIATE  
MANAGEMENT OF STATE LAND**

**3210 OTTAWA  
BUTTE MONTANA 59701**

EXHIBIT 11  
DATE 3-8-95  
SB 225

Hearing on S.B. 225 Natural Resources Commity, Rep. Knox, Chair.

For the ecord, my name is Tony Schoonen representing the Coalition.

We rise in opposition to S.B. 225 because the direct sale of any state trust land is premature and very shortsighted at this time. The state trust lands in Daniels and Valley county return a large annual reimbursement to the school trust fund. For example, in Daniels county, the amount of Federal grain deficiency money and C.R.P. payments amount to \$487,873 annually. The lessee receives double that amount or nearly \$1,000,000. This does not include the money they receive for the actual sale of the grain, of which the school trust receives a quarter crop share which averages \$12.00 per acre. *F.Y. 94-850,000 - TR  
lesses 3,450,000*

In Valley county, the amount of Federal subsidies in grain deficiency and C.R.P. payments amount to \$144, 635 annually to the school trust. The lesees receive double that figure. Phillips county has a smaller return to the trust, \$36,149.

The total amount of federal subsidies, which are our tax dollars, received by Daniels county over the last three years is \$28,457,964 over the last three years. That would equal \$12,556 per adult (18.. years) and older within the county.

One of the points that I'm trying to make is that there is a lot of money funneled into Daniels and Valley countys with no remuneration to county gvernments for their distribution. If and when the Farm Bill is renewed, we should work with our congressmen to allow 5% of the total annual dispursements of these subsidies to go to the county government to offset their time and costs.

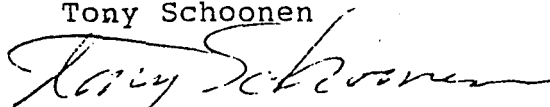
If S.B. 197 makes it through this legislature, Daniels, Phillips and Valley county will receive a lot more money for their county governments because each of them have around 340 to 345 sections of state trust land, so this bill is premature at best.

With the escalation in land prices, some of the larger landowners in these counties will outbid the smaller operators. To give you an example, I have pased around a sheet showing a person that has 32 sections of state trust lands and the amount he receives in federal subsidies. With just that amount of money received in federal subsidies, his smaller neighbors would'nt stand a chance in a competitive bid; this is not fair.

We must hang on to our trust lands, they return a lot of money to our schools and will continue to do so in the future.

Thank you.

Tony Schoonen



MULTIPLE USE OF PUBLIC STATE LAND

Sec. - Treasurer

COUNTY	TOTAL TRUST			1994 DEFICIENCY			93 Payments		
	ACRES	AG ACRES	CRP ACRES	Wheat	Feed Grain	1994 CRP	County Total	Deficiency	CRP
BAVERHEAD	332,357	3,789.41	0	\$0	\$0	\$5,706	\$5,706.00	\$0.00	\$5,706.00
BIGHORN	87,794	2,677.48	0	\$2,254	\$626	\$0	\$2,880.00	\$4,517.00	\$0.00
BLAINE	181,370	17,313.44	2,739	\$17,609	\$2,230	\$36,777	\$56,616.00	\$28,885.00	\$36,777.00
BROADWATER	23,805	2,377.69	646	\$3,036	\$824	\$7,664	\$11,524.00	\$5,763.00	\$7,276.00
CARBON	41,220	1,220.12	210	\$654	\$0	\$2,088	\$2,742.00	\$734.00	\$2,088.00
CARTER	142,719	6,107.89	934	\$1,489	\$24	\$4,317	\$5,830.00	\$2,560.00	\$4,317.00
CASCADE	77,242	14,459.36	1,414	\$18,623	\$9,962	\$25,051	\$53,636.00	\$43,766.00	\$25,051.00
CROUPEAU	267,224	83,415.90	7,911	\$157,905	\$77,558	\$103,112	\$338,575.00	\$391,377.00	\$102,637.00
CUSTER	140,821	7,179.10	1,129	\$4,538	\$1,960	\$8,524	\$15,022.00	\$10,338.00	\$8,524.00
DANIELS	220,716	114,988.18	42,142	\$92,102	\$13,970	\$381,801	\$487,873.00	\$182,102.00	\$380,451.00
DAWSON	87,470	16,794.20	3,968	\$17,485	\$3,884	\$37,052	\$58,421.00	\$36,390.00	\$37,051.00
DEER LODGE	7,881	114.20	0	\$331	\$62	\$0	\$393.00	\$507.00	\$0.00
DELLON	67,416	10,849.80	2,505	\$8,406	\$1,475	\$27,052	\$36,933.00	\$14,685.00	\$27,052.00
DEKALB	155,421	16,306.40	1,723	\$20,201	\$8,301	\$18,675	\$47,177.00	\$41,229.00	\$18,675.00
DELAWARE	130,144	736.91	0	\$2,831	\$809	\$0	\$3,640.00	\$5,352.00	\$0.00
DELLAVALLE	51,516	9,784.28	158	\$10,733	\$7,762	\$15,507	\$34,002.00	\$26,067.00	\$15,507.00
DEWATER	166,472	5,459.66	1,762	\$1,908	\$729	\$14,367	\$17,004.00	\$5,543.00	\$14,367.00
DEWEY	8,339	2,719.80	0	\$1,842	\$3,176	\$0	\$5,018.00	\$6,157.00	\$0.00
GOLDEN VALLEY	48,602	3,555.98	593	\$1,293	\$605	\$5,465	\$7,363.00	\$3,922.00	\$5,465.00
GRANITE	21,063	266.00	0	\$0	\$0	\$0	\$0.00	\$955.00	\$0.00
GREAT HILL	155,864	65,418.73	9,287	\$104,020	\$24,283	\$115,595	\$243,898.00	\$206,803.00	\$114,013.00
JEFFERSON	32,150	1,878.34	31	\$0	\$0	\$312	\$312.00	\$0.00	\$312.00
JUDITH BASIN	98,472	20,802.53	1,326	\$21,840	\$17,209	\$15,179	\$54,228.00	\$58,375.00	\$15,179.00
LAKE	55,154	20.70	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
LEWIS & CLARK	133,878	3,402.16	227	\$15,748	\$329	\$2,957	\$19,034.00	\$23,068.00	\$2,957.00
LIBERTY	86,578	29,520.25	6,883	\$38,122	\$11,630	\$66,331	\$116,083.00	\$80,413.00	\$66,239.00
LINCOLN	65,316	0.00	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
MADISON	126,647	4,409.10	468	\$4,921	\$321	\$257	\$5,499.00	\$5,447.00	\$257.00
McCONE	94,559	20,066.51	2,612	\$20,345	\$4,700	\$20,619	\$45,664.00	\$39,644.00	\$20,616.00
MEAGHER	90,077	3,279.20	163	\$530	\$3,117	\$1,696	\$5,343.00	\$4,900.00	\$1,759.00
MINERAL	21,960	15.00	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
MISSOULA	73,942	0.00	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
MUSSELSHELL	76,324	5,064.00	1,026	\$1,372	\$445	\$10,858	\$12,675.00	\$3,144.00	\$10,858.00
PARK	33,405	2,893.56	595	\$812	\$654	\$6,956	\$8,422.00	\$1,849.00	\$6,956.00
PETROLEUM	64,110	5,173.58	925	\$0	\$0	\$8,779	\$8,779.00	\$0.00	\$8,779.00
PHILLIPS	189,426	14,444.04	1,655	\$14,506	\$1,924	\$19,719	\$36,149.00	\$28,691.00	\$17,188.00
PONDERA	57,423	25,547.20	1,462	\$54,795	\$35,282	\$11,876	\$101,953.00	\$129,507.00	\$11,876.00
POWDER RIVER	140,813	2,438.90	416	\$1,022	\$52	\$6,682	\$7,756.00	\$1,924.00	\$6,682.00
POWELL	56,792	2,267.98	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
PRAIRIE	76,699	9,702.59	1,291	\$5,982	\$1,079	\$12,455	\$19,516.00	\$11,985.00	\$12,455.00
RAVALLI	29,464	367.20	7	\$240	\$11	\$77	\$328.00	\$389.00	\$77.00
RICHLAND	81,678	11,359.00	2,582	\$10,929	\$3,840	\$26,837	\$41,606.00	\$27,019.00	\$26,837.00
ROOSEVELT	20,233	5,151.31	1,214	\$6,029	\$1,163	\$10,723	\$17,915.00	\$12,021.00	\$16,608.00
ROSEBUD	178,032	8,821.78	966	\$6,529	\$848	\$16,008	\$23,385.00	\$12,346.00	\$11,766.00
SANDERS	62,985	411.00	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
SHERIDAN	45,147	14,811.06	5,082	\$12,896	\$2,284	\$56,452	\$71,632.00	\$24,500.00	\$50,567.00
SILVER BOW	13,234	9.00	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
STILLWATER	46,522	7,120.73	1,241	\$7,199	\$2,554	\$12,108	\$21,861.00	\$14,005.00	\$12,108.00
SWEET GRASS	47,091	1,449.10	0	\$0	\$0	\$0	\$0.00	\$0.00	\$0.00
TETON	103,903	15,729.22	2,419	\$25,772	\$8,564	\$46,646	\$80,982.00	\$52,476.00	\$44,792.00
TOOLE	100,070	25,487.81	3,941	\$37,535	\$15,104	\$57,113	\$109,752.00	\$82,632.00	\$55,589.00
TREASURE	37,394	1,097.86	551	\$753	\$365	\$5,512	\$6,630.00	\$2,242.00	\$5,512.00
VALLEY	214,682	29,447.42	10,771	\$26,495	\$7,014	\$111,126	\$144,635.00	\$56,949.00	\$103,503.00
WHEATLAND	73,434	8,080.10	520	\$2,807	\$1,919	\$4,468	\$9,194.00	\$6,256.00	\$4,468.00
WIBAUX	33,159	7,145.96	1,430	\$8,310	\$1,321	\$14,704	\$24,335.00	\$18,130.00	\$14,704.00
YELLOWSTONE	79,038	9,134.50	1,982	\$13,655	\$2,201	\$25,834	\$41,690.00	\$27,538.00	\$25,834.00
TOTALS	5,155,247	682,083	128,907	\$806,404.00	\$282,170.00	\$1,381,037.00	\$2,469,611.00	\$1,743,102.00	\$1,359,435.00
AVERAGE	92,058	12,180	2,302	\$14,400.07	\$5,038.75	\$24,661.38	\$44,100.20	\$31,126.82	\$24,275.63

NOTE: THE AGRICULTURAL ACRES INCLUDE HAY AND HAY WHEN CUT ACRES.

KCMO MIO5Y1  
 JOB NUMBER 123192001  
 30 MONTANA  
 PRODUCER ID NUMBER  
 SERIAL/ SCHEDULE NUMBER  
 PROGRAM COM DESCRIPTION  
 AS PAYMENTS  
 RECORDED AS REFUNDS  
 A M O U N T S  
 AS REFUNDS  
 ISSUE/ DEPOSIT DATE  
 REFERENCE  
 COUNTY TOTAL PRODUCERS 804 TXNS 8,770 9,927,099.13 113,798.00 NET 9,813,301.13  
 PAGE 226  
 CURRENT DATE 01-13-93

KCMO MIO5Y1  
 JOB NUMBER 123193001  
 30 MONTANA  
 PRODUCER ID NUMBER  
 SERIAL/ SCHEDULE NUMBER  
 PROGRAM COM DESCRIPTION  
 AS PAYMENTS  
 RECORDED AS REFUNDS  
 A M O U N T S  
 AS REFUNDS  
 ISSUE/ DEPOSIT DATE  
 REFERENCE  
 COUNTY TOTAL PRODUCERS 760 TXNS 5,793 10,456,194.40 52,425.14 NET 10,403,769.26  
 PAGE 163  
 CURRENT DATE 01-12-94

KCMO MIOE20R001  
 JOB NUMBER: 123194002  
 30 MONTANA  
 O19 DANIELS  
 U.S. DEPARTMENT OF AGRICULTURE  
 AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE  
 PRODUCER PAYMENTS REPORTING SYSTEM  
 DISBURSEMENTS AND REFUNDS  
 FOR CALENDAR YEAR 1994  
 ISSUE/ DEPOSIT DATE  
 PROGRAM  
 PAYMENTS  
 REFUNDS  
 NET  
 COUNTY TOTALS:  
 PRODUCER COUNT 750 TOTAL 1099G TXNS 5,141 8,252,881.19 16,987.13 8,235,894.06  
 PAGE 324  
 CURRENT DATE 01/10/95

population over 18 yrs. of age 3,266 = 12,586.47 cz.  
 3 yrs. total = 28,452,964  
 Federal Subsidies



U.S. Department of Agriculture  
Consolidated Farm Service Agency  
Checkwriting Summary

Check Number	Trans Type	Issue Date	Amount	Program	Payee ID / Producer Id	Payee Name / Producer Name
13 011	ORIGN	03-28-94	54,015.00	93WHTLN	[REDACTED]	THOMAS [REDACTED]
13 318	ORIGN	04-01-94	4,511.00	94DEFAWHT	[REDACTED]	THOMAS [REDACTED]
1377319	ORIGN	04-01-94	1,401.00	94DEFABRLY	[REDACTED]	THOMAS [REDACTED]
13 835	ORIGN	04-14-94	99.00	94DEFAWHT	[REDACTED]	THOMAS [REDACTED]
13 867	ORIGN	04-14-94	982.00	94DEFAWHT	[REDACTED]	THOMAS [REDACTED]
1377868	ORIGN	04-14-94	305.00	94DEFABRLY	[REDACTED]	THOMAS [REDACTED]
7737762	ORIGN	10-07-94	38,284.00	88CRAN	[REDACTED]	CITIZEN [REDACTED] THOMAS [REDACTED]
773 763	ORIGN	10-07-94	8,357.00	88CRAN	[REDACTED]	THOMAS [REDACTED]
77327764	ORIGN	10-07-94	3,359.00	88CRAN	[REDACTED]	THOMAS [REDACTED]
773 912	ORIGN	11-03-94	33,541.00	94WHTLN	[REDACTED]	THOMAS [REDACTED]
773 933	ORIGN	11-21-94	877.00	ANA	[REDACTED]	THOMAS [REDACTED]
77328601	ORIGN	12-14-94	57.00	94DEFFWHT	[REDACTED]	THOMAS [REDACTED]
773 9108	ORIGN	12-14-94	1,964.00	94DEFFWHT	[REDACTED]	THOMAS [REDACTED]
773 9109	ORIGN	12-14-94	980.00	94DEFFBRLY	[REDACTED]	THOMAS [REDACTED]
77330110	ORIGN	12-14-94	427.00	94DEFFWHT	[REDACTED]	THOMAS [REDACTED]
77330111	ORIGN	12-14-94	300.00	94DEFFBRLY	[REDACTED]	THOMAS [REDACTED]

Total Checks Issued 149,459.00  
 Total Checks Cancelled .00  
 Number of Checks Voided 0

3 year total 318,440  
 32 sections state land  
 does not include CDP  
 Payment.  
 2,266 - 18 yrs and older  
 345 sec in County

SB 225

MARCH 8, 1995 4  
EXHIBIT  
DATE 3-8-95  
SB 225

GREETINGS HOUSE NATURAL RESOURCES COMMITTEE:

MY NAME IS JOHN DAGGETT, I LIVE IN GLASGOW. I AM OPPOSED TO SB 225 FOR SEVERAL REASONS. THE FIRST IS THAT I AM A ~~RECREATION~~ HUNTER AND I USE THESE LANDS. WHILE SOME WILL ARGUE THAT ACCESS WON'T BE RESTRICTED THAT MUCH BECAUSE MANY LANDOWNERS IN NORTHEASTERN MONTANA ALLOW ACCESS, I WOULD ARGUE THAT AFTER GROWING UP IN CENTRAL MONTANA WHERE ACCESS IS A GREAT DEAL MORE RESTRICTED THAN 20 YEARS AGO, THERE IS NO GUARENTEE THAT THE MORE OPEN ACCESS IN NORTHEASTERN MONTANA WILL CONTINUE. THIS IS ESPECIALLY TRUE IF WEALTHY OUT OF STATE INTERESTS BUY THIS LAND.

THE SECOND REASON I AM OPPOSED TO SELLING STATE~~LAND~~ LAND IN DANIALS, PHILLIPS, VALLEY AND GARFIELD COUNTIES IS THAT I DO NOT THINK IT <sup>WILL BE</sup> ~~IS~~ GOOD ~~FOR~~ FOR THE SCHOOL TRUST IN THE LONG RUN. WHILE LAND PRICES IN N.E. MONTANA HAVE NOT WENT UP TO THE EXTENT THAT IT HAS IN OTHER PARTS OF THE STATE, LAND PRICES HAVE RISEN. MY FAMILY OWN A SMALL RANCH IN STILLWATER COUNTY WHICH MY GRAND FATHER HOMESTEADED A LITTLE MORE THAN 80 YEARS AGO. ~~I CAN~~ BECAUSE

MORE THAN SOME DISCUSSION AMONG FAMILY MEMBERS WHAT TO DO WITH THE LAND. MY MOTHER AND FATHER HAD NUMEROUS DISAGREEMENTS ON WHETHER TO SELL IT OR NOT BUT THE DECISION WAS TO KEEP IT. TWENTY YEARS AGO, ~~MY FATHER HAD~~ TODAY THAT LAND IS WORTH TEN TIMES MORE THAN IT WAS TWENTY YEARS AGO.

~~UNFORTUNATELY~~ ~~THE VALUES~~ I CAN TELL YOU THAT I AM GLAD THEY DIDN'T SELL IT THEN. ~~UNFORTUNATELY~~ ~~THE VALUES~~ ~~HAVE RISEN TO THE POINT I AM~~

IT WAS A WISE FINANCIAL ~~AND~~ DECISION TO HOLD ON TO IT. THE POINT HERE IS THAT LAND PROVIDES A GOOD LONG TERM INVESTMENT AND IS A SOLID FOUNDATION FOR THE SCHOOL TRUST. THEY DON'T MAKE ANYMORE LAND AND IT PROVIDES AN INCOME THAT WILL ALWAYS BE THERE.

IT IS MY UNDERSTANDING THAT THE SALE OF STATE LANDS IS BEING PROVOLOATED BECAUSE OF THE LOW RETURN \$1.00/ACRE IT BRINGS. WHILE \$1.00/ACRE IS TRUE FOR RANGE LAND <sup>ABOUT</sup> ~~FOR~~ ~~FOR~~ \$10.00/ACRE <sup>IS THE AVERAGE STATEWIDE</sup> ~~FOR~~ \$15.50/ACRE ~~IN THESE FOUR COUNTIES~~

~~DEPENDS~~ FOR CROP LAND ALTHOUGH DANIALS COUNTY MAY BE SLIGHTLY LOWER BECAUSE OF SANDY SOILS. IN THIS BILL

LAND IS SUBJECT TO SALE. ~~USING THE STATEMENT IF THIS LAND IS MARKING~~  
~~IT FOR 15 YEARS.~~

~~AGAIN~~ THIS LAND ~~ALREADY~~ WOULD BEA  
JUST LOOKING AT THIS SALE FROM THE SCHOOL  
TRUST POINT OF VIEW WHY ARE WE GOING TO  
SELL THE LAND THAT MAKES THE MOST FOR  
THE SCHOOL TRUST

THE OTHER CONCERN I HAVE ABOUT THIS  
SALE IS THAT I BELIEVE IF THE DEPT.  
OF STATE LANDS STRUCTURES THE SALES  
TO BRING THE MOST RETURN TO THE SCHOOL  
TRUST WHICH THEY SHOULD DO. WHO IS  
GOING TO BE BUYING THIS STATE LAND?  
MANY ~~FARM~~ FARM AND RANCH OPERATE  
IN THESE FOUR COUNTIES DEPEND ON THE  
STATE LAND TO KEEP THEIR OPERATIONS  
VIABLE. THIS IS PARTICULARLY TRUE  
IN DANIALS COUNTY, ~~AND~~ WHILE IT MAY  
BE DESIRABLE FOR MANY OF THESE OPERATIONS  
TO OWN THE STATE LANDS THEY LEASE,  
IT WOULD BE CATASTROPHIC FOR THEM  
TO LOSE THE USE OF THAT LAND THROUGH  
AN AUCTION SALE. ESPECIALLY A SALE  
THAT IS STRUCTURED TO BRING THE HIGHEST  
RETURN TO THE SCHOOL TRUST AND THEREFORE  
WELL ADVERTIZED ACROSS THE COUNTRY.  
I BELIEVE THERE IS TOO MUCH AT RISK HERE

A-

THE LAST THING I WANTED TO ~~HEAR~~ <sup>SAY</sup> IS  
THAT I ~~DO NOT~~ <sup>UNDERSTAND</sup> DANIELS COUNTY DOES  
HAVE SOME REVENUE PROBLEMS AND  
THE PAYMENT IN LIEU MONIES DON'T  
AMOUNT TO THAT MUCH \$87,000, IT  
SEEMS TO ME THAT A COUNTY THAT  
HAS 24% STATE LAND AND  
CONTRIBUTES SO MUCH TO THE SCHOOL  
TRUST SHOULD RELIEVE MORE THAN  
\$87,000 YR. THE TWO COMPLAINTS  
THAT I HAVE HEARD ABOUT STATE LANDS  
IS THAT THE PAYMENT IN LIEU IS  
TWO LOW FOR COUNTIES WITH  
A HIGH PERCENTAGES OF STATE LAND  
AND THE LEASES ARE NEVER  
SURE WHAT IS GOING TO HAPPEN  
TO THEIR ~~LEASE~~ LEASE RATES. ~~AND~~  
IT SEEMS TO ME THAT SOLVING ~~THE~~  
SOME COUNTIES' PAYMENT IN LIEU PROBLEMS  
AND PROVIDING A LONG TERM STABILITY IN  
THE LEASE TERMS WOULD BE MUCH BETTER  
THAN SELLING THE STATE LAND  
THESE FOLKS DEPEND ON.

SINCERELY,

John Carl Daggert

JOHN DAGGETT

1323 2nd AVE SO.

GLASGOW, MT 59230

EXHIBIT 13  
DATE 3-8-95  
SB 225

## Montana Audubon Legislative Fund

P.O. Box 595 • Helena, MT 59624 • 443-3949

Testimony on SB 225  
House Natural Resources Committee  
March 8, 1995

Mr. Chairman and Members of the Committee,

My name is Janet Ellis and I am here today representing Montana Audubon, with nine Audubon Chapters from the Flathead Valley to Miles City. We are opposed to SB 225.

The public lands in this state are what make Montana - Montana. Taking away those public lands, which is what this bills does, will hurt the average Montana citizen - and only benefit big land barons and wealthy corporations.

Our state's public lands provide us with a recreational and cultural heritage well beyond any monetary benefits we could obtain from selling off those lands. The wide open space that they provide allows us to call Montana "Big Sky Country." These lands also contribute substantially to our tourism industry.

Any economic benefit the state would gain in the short term through this great land sale, would surely be offset by the losses to the citizens of this state - for this generation and future generations.

EXHIBIT 14  
DATE 3-8-95  
SB 225

HOUSE OF REPRESENTATIVES

House Natural Res. Comm COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

NAME Joe Gutkoski BUDGET S-225 towns

ADDRESS 304 N. 18th. Av. Bozeman DATE 3-8-95

WHOM DO YOU REPRESENT? President, Madison Gallatin Alliance

SUPPORT \_\_\_\_\_ OPPOSE S-225 towns AMEND \_\_\_\_\_

COMMENTS: I am against the disposal of Dept. of St. Lands.

They are valuable to the future support of the School Foundation Program.  
Phillips & Daniels Co's. the DSL are nicely consolidated for more efficient  
mgmt. We recommend further consolidation but no disposal of total acreage.  
Much of the land in Phillips & Valley Co's are lands that were deserted by farmers  
during the dust bowl days when sod busting & overgrazing left the land naked to  
the sun & wind. The Counties took the land for taxes & the US govt. instituted  
certain soil conservation measures. If the state lands are sold into private  
ownership then the chance of sod busting and overgrazing may prevail.  
this legislation sets a poor precedent for public land mgmt.  
and income to the school trust.

DATE 3-8-95

55

Post-It™ brand fax transmittal memo 7071 of pages 1

To	REP. DICK KNOX	From	ED CARNEY
Co.		Co.	DANIELS
Dept.		Phone #	487-5422
Fax #	19002254300	Fax #	487-5502

3-8-95

To: Honorable Dick Knox, Chairman  
House Natural Resources Committee

Re: Senate Bill No. 225

From: Ed Carney   
Scobey, Mt. 59203

It is my request that this letter be read to the full committee.

After reading the amendments (March 2, 1995) by Senator Toews to Senate Bill No. 225 it is my considered judgement that consideration should be given to deletion of Daniels County from the bill until the many lessees in this area have adequate time to consider the implications of selling 175,540 acres of state land in an 18 year period. This is about 19% of the county and would be about 10,000 acres per year. The next largest sale would be in Valley County with 55,930 being sold or slightly less than 2% of the total county, selling acres would be 3,107 acres per year. The impact of 19% being sold in Daniels County to less than 2% in Valley illustrates the greater impact in Daniels County. Would it be good or bad for the county?

At this stage it appears that this is a "forced sale" of the state land in one particular county. Why was Chouteau and Beaverhead counties not included in the sale because they have more state acres than Daniels county. Surely, a two year wait is not really going to affect seriously any of these counties and this would allow the bill drafters and citizens generally to come up with a bill which had general lessee support. Selling state land is a serious step and can have far reaching effects on the many lessee's. If a sale is so good for four counties then maybe it has merit in the other 52 counties.

Senator Toews has been helpful in making amendments since the bill was introduced. He just has not had time to get full input from his voters.



EXHIBIT 16  
DATE 3-8-95  
SB 200

Amendments to Senate Bill No. 200  
Third Reading Copy

Requested by Senator Lynch  
For the Committee on Natural Resources

Prepared by Michael S. Kakuk  
March 8, 1995

1. Title, line 12.  
Following: "DATE"  
Insert: "AND AN APPLICABILITY DATE"
2. Page 3, line 24.  
Following: "PART."  
Insert: "For the purposes of 75-10-715(7), the term does not include the state, a state agency, or a political subdivision of the state acting as trustee of natural resources within the state of Montana."
3. Page 4, line 13.  
Following: "~~such~~"  
Insert: "such"
4. Page 7, line 3.  
Strike: "75-10-711(5)"  
Insert: "this part"
5. Page 14, line 21.  
Strike: "THAT"
6. Page 15, line 16.  
Following: "INTEREST."  
Insert: "actually"
7. Page 15, line 20.  
Strike: "BUT NOT"  
Insert: "as opposed to"
8. Page 17.  
Following: line 7  
Strike: "NEW SECTION. Section 6. Applicability. [This act] does not apply to civil actions commenced prior to the [effective date of this act] or to the claims upon which such civil actions are based."  
Re-number: subsequent section

EXHIBIT 17  
DATE 3-8-95  
SB 147

Amendments to Senate Bill No. 147  
Third Reading Copy

Requested by Sen. Hertel  
For the Committee on Natural Resources

Prepared by Michael S. Kakuk  
March 7, 1995

1. Page 2, lines 1 through 4.

Strike: subsections (2) and (3) in their entirety

Re-number: subsequent subsections

2. Page 2, line 14.

Strike: "IMMEDIATE FAMILY"

3. Page 3, lines 11 and 12.

Strike: subsection (2) in its entirety

Re-number: subsequent subsections

4. Page 5.

Following: line 5

Insert: "(e) sell, lease, or otherwise dispose of water  
impounded under this chapter;"

Re-number: subsequent subsections

EXHIBIT 18  
DATE 3-8-95  
SB 147

Amendments to Senate Bill No. 147  
Third Reading Copy

Requested by Rep. Ewer  
For the Committee on Natural Resources

Prepared by Michael S. Kakuk  
March 7, 1995

1. Page 3, line 3.  
Following: "leasing."  
Insert: "(1)"

2. Page 3.  
Following: line 5  
Insert: "(2) The department may not make additional land  
available for cabinsite leases after [the effective date of  
this act]."

EXHIBIT 19  
DATE 3-8-95  
SB 147

Amendments to Senate Bill No. 147  
Third Reading Copy

Requested by Rep. Ewer  
For the Committee on Natural Resources

Prepared by Michael S. Kakuk  
March 8, 1995

1. Page 2, line 8.  
Following: "Rulemaking."  
Insert: "(1)"
2. Page 2, line 11.  
Strike: "(1)"  
Insert: "(a)"
3. Page 2, line 12.  
Strike: "(2)"  
Insert: "(b)"
4. Page 2, line 13.  
Strike: "(3)"  
Insert: "(c)"
5. Page 2, line 14.  
Strike: "(4)"  
Insert: "(d)"
6. Page 2, line 16.  
Strike: "(5)"  
Insert: "(e)"
7. Page 2, line 18.  
Strike: "(6)"  
Insert: "(f)"
8. Page 2, line 20.  
Strike: "(7)"  
Insert: "(g)"
9. Page 2, line 21.  
Strike: "(8)"  
Insert: "(h)"
10. Page 2.  
Following: line 22  
Insert: "(2) The department rules must include rules requiring the advertisement of public notice of the availability of cabinsite leases available after [the effective date of this act]."

HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

Natural Resource

COMMITTEE

BILL NO. SB 231

DATE 3-8-95

SPONSOR(S) Sen. Mesaros

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
J.V. Bennett	Mont PIRG		X
GARY LANGLEY	MONTANA MINING ASSN.	✓	
L.F. THOMAS	ANA CONDA SPORTSMEN		X
Peggy Trenk	WETA	✓	
Glenn Mark	Gov. Racicot	X	
ERPC WILLIAMS	PEGASUS GOLD	X	
Delorah Smith	Sierra Club		X
Janet Ellis	MT Audubon		X
Jim Mockler	MT Coal Council	X	
Jeff Barber	NPRC		X
MARK SHARLEY	SELF		X
FRANK CROWLEY	ASARCO YELLOWSTONE ENERGY	✓	
Star Frasier	SELF		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

Wilderness Resources COMMITTEE BILL NO. SB 231  
DATE 3-8-95 SPONSOR(S) Senator Messers

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Joe Gutkoski Pres.	Madison Gallatin Alliance		<input checked="" type="checkbox"/>
<del>James Emerdon</del>	54H		<input checked="" type="checkbox"/>
MIKE MURPHY	MT. WATER RES. ASSN	X	
Ed Johns GT Falls	Russell County Sportsmans Assoc		X
JOHN O'BEGGETT GLASSBORO	MYSELF		X
Tony Schorae	State Lands Council		X
SAM BABICIT	SKYLINE SPORTS & AM ASS MONTANA ACTION FOR ACCESS		X
Dianne <del>M</del> ermand	self		X
Lorna Frank	MT. Farm Bureau	X	
Carl Prinzing Mslar. 244 W. Main ST MT	MT Assoc. of Realtors.	X	
Alan Tollo	self		X
Jim McDermid	self		X
GAIL ABERCROMBIE	MT Petroleum Assn	X	
Anne Hedges	MEIC		<input checked="" type="checkbox"/>

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

Save Natural Resources

COMMITTEE

BILL NO.

SB 231

DATE 3-8-95

SPONSOR(S)

Senator Messers

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Wade Smith	Self		✓
George Ochenski	Trout Unlimited		✓
Don Allen	Mt. Wood Products Assn	✓	
John Blomquist	Mt. Storkgroves	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

Open Natural Resources  
DATE 3-8-95

COMMITTEE Senator Keating

BILL NO. SB 288

SPONSOR(S)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Joe Gutkoski Pres	Madison Gallatin Alliance		✓
Judith Juntunen		✓	
Ed Johns GT Falls	Russell County Sportsman's Assn		✓
Johal Dabbert Glasgow	<del>XXXXXXXXXX</del> <del>XXXXXXXXXX</del> MYSELF		✓
Tony Schoonen	State Lands Coal		X
SAM BABICH	SKI LINE SPORTSMAN ASS MONTANA ACTION TAX ACCESS		X
Dianne McDermand	self		X
Bob Rooney	self		X
Scott Sebiak	SELF		X
Carl Prinzing Mpls 241 W. Main St 59802	MT Assoc. of Realtors	X	
Alan Rollo	Self		X
Jim McDermid	Self		X
# Gail Abercrombie	MT Petroleum Assn	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.



HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

House Natural Resources COMMITTEE BILL NO. 50288  
 DATE 3/8/95 SPONSOR(S) Senator Keating  
 PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Wade Stork	Self		✓
George OCHENSKI	TRAIT UNLIMITED		✓
Don Allen	Midland Products Assn	✓	
Tom Elzery	Exxon	✓	
Ted Large	NPRC		✓
Lorna Frank	MT. Farm Bureau	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR'S REGISTER

House Natural Resources COMMITTEE BILL NO. B 288  
DATE 3/8/95 SPONSOR(S) Kratz

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Anne Hedges	MEIC		X
J.V. Bennett	Mont PERC		X
Peggy Trunk	WETA	X	
GARY LANGLEY	MT. MINING ASSN.	X	
L.F. THOMAS	ANACONDA SPORTSMEN		X
ERIC WILLIAMS	PEGASUS GOLD	X	
Bird Hunter	MT Democratic Party	<del>X</del>	X
Dorrah Smith	Seneca Club		X
Janet Ellis	MT Audubon		X
Jim Mockler	MT Coal Council	X	
Jeff Barber	NPRC		X
MARK SHARLEY	SELF		X
FRANK CROWLEY	ASARCO <sup>YELLOWSTONE ENERGY</sup> NEEDHO ENERGY <sub>Gen. PARTNER</sub>	✓	
Steen Frasier	SELF		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

House Natural Resources COMMITTEE BILL NO. SB 225  
 DATE 3-8-95 SPONSOR(S) Senator Lewis

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
K. L. BLISS, SAND SPRINGS MT.	SELF GARFIELD CO. TAXPAYERS			✓
Joe Gutkoski Pres.	Madison Gallatin Allia.	225	✓	
James E. Egan	SELF		✓	
Ed Johns	Russell Country Sportsmans	225	✓	
Ron BENNETT	" " "	225	✓	
Cheryle Bliss	Rancher-lessee Rural Rt Sand Springs	225		✓
Mary Ann Murray	self rancher-lessee Jordan	225		
Carl Prinzling 241 W. Main Melba	MT ASSOC. of Realtors			✓
JOHN DAGGETT GLASGOW MT	VALLEY COUNTY SPORTSMEN CLUB		✓	
Tony Schosson	State Land Council		✓	
SAM BABICH	SKYLINE SPORTSMAN ASS MONTANA ACTION FOR ACCESS	225	✓	
Dianne McDevmond	self		✓	
Jim McDevmond	self		✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

SB 225

Natural Resources COMMITTEE BILL NO. SB 225  
 DATE 3-8-95 SPONSOR(S) Sen. Lewis

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Alan Rollo	Self		X	
Dore Major	Self		X	
Paul M... ..	MT Nascrotte Party		X	
Deborah Smith	Seneca Club		X	
Janet Ellis	MT Audubon		X	
Mil... ..			X	
JOHN GATCHELL	MT WILDERNESS ASSOC		X	
MARIL SHARLEY	SELF		X	
Stan Frazier	Self		X	
Maurleen Cleary Schwindler	WIFE	SB 225		X
John Bloomquist	Mt. Stacks... ..	SB 225		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.