

HOUSE BILL NO. 255

INTRODUCED BY WALLIN, ELLISON, NORDTVEDT, MUELLER,  
SWIFT, ERNST, BERTELSEN, SALES, SWITZER, DEVLIN,  
KEYSER, SCHULTZ, R. JENSEN, FAGG, IVERSON,  
ELLERD, BOYLAN, MARKS

IN THE HOUSE

January 15, 1983	Introduced and referred to Committee on State Administration.
January 25, 1983	Committee recommend bill do pass. Report adopted.
January 26, 1983	Bill printed and placed on members' desks.
January 27, 1983	Second reading, do pass.
January 28, 1983	Considered correctly engrossed.
January 29, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 31, 1983	Introduced and referred to Committee on Natural Resources.
March 4, 1983	Committee recommend bill be concurred in. Report adopted.
March 7, 1983	Second reading, concurred in.
March 9, 1983	Third reading, concurred in. Ayes, 50; Noes, 0.

IN THE HOUSE

March 9, 1983	Returned to House.
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March 10, 1983

Sent to enrolling.

Reported correctly  
enrolled.

1 House BILL NO. 255  
 2 INTRODUCED BY Wesley Ellison Wendell Mueller  
 3 Scott Ernst Bertelme Sales Swiften Larkin  
 4 Reyer Schultz James Fagg  
 5 A BILL FOR AN ACT ENTITLED "AN ACT TO REQUIRE APPRAISAL BY  
 6 A QUALIFIED APPRAISER OF ANY STATE LAND TO BE PURCHASED,  
 7 EXCHANGED, OR SOLD; AMENDING SECTIONS 77-1-202, 77-2-203,  
 8 77-2-211, AND 77-2-323, MCA."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 77-1-202, MCA, is amended to read:

11 "77-1-202. Powers and duties of board. (1) The board  
 12 shall exercise general authority, direction, and control  
 13 over the care, management, and disposition of state lands  
 14 and, subject to the investment authority of the board of  
 15 investments, the funds arising from the leasing, use, sale,  
 16 and disposition of those lands or otherwise coming under its  
 17 administration. In the exercise of these powers, the guiding  
 18 rule and principle is that these lands and funds are held in  
 19 trust for the support of education and for the attainment of  
 20 other worthy objects helpful to the well-being of the people  
 21 of this state. The board shall administer this trust to  
 22 secure the largest measure of legitimate and reasonable  
 23 advantage to the state.

24 (2) When acquiring land for the state, the board shall  
 25 determine the value thereof after an appraisal by a

1 qualified land appraiser."

2 Section 2. Section 77-2-203, MCA, is amended to read:

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 8 equal in area. The board shall place priority on exchanges  
 9 which result in consolidation of state lands into more  
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 11 undertaken under 76-12-107.

12 (2) If the requirements of subsection (1) and 77-2-204  
 13 are met, state lands bordering on navigable lakes and  
 14 streams or other bodies of water with significant public use  
 15 value may be exchanged for private land if the private land  
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18 Section 3. Section 77-2-211, MCA, is amended to read:

19 "77-2-211. Exchange of timbered, cut-over, or  
 20 burned-over lands. The board may accept on behalf of the  
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 22 from which the timber has been cut or burned and in exchange  
 23 therefor may convey not to exceed an equal value, as  
 24 determined by the board after appraisal by a qualified land  
 25 appraiser, of similar state land. However, no such exchange

may be made except that which in the opinion of the board will benefit the public interest. For the purpose of such an exchange, all state lands, including those referred to in 77-2-303(3), 77-2-311, and 77-5-101, are subject to be offered for such exchange, and any restrictions against their sale or disposal are, for the purpose of such an exchange, released."

Section 4. Section 77-2-323, MCA, is amended to read:

"77-2-323. Sale procedure and limitation. (1) At the time fixed for the sale, the lands shall be offered for sale at auction in the order they appear in the notice of sale. Under the direction of the department the lands shall be sold to the highest qualified bidder under the following restrictions:

(a) No lands may be sold for less than the appraised value determined by the board after appraisal by a qualified land appraiser.

(b) Tillable lands capable of producing agricultural crops may not be sold for less than \$10 per acre.

(c) Lands principally valuable for grazing purposes may not be sold for less than \$5 per acre.

(2) The lands shall be sold as nearly as practicable according to the subdivisions in which they are advertised, and care shall be taken not to subdivide any tract in such a way as to separate remaining portions from a water supply or

from section lines or public highways.

(3) The sale may be adjourned from day to day until all the lands advertised have been offered for sale.

(4) If any successful bidder at a sale refuses or neglects to make the initial payment required to be made on the land purchased by him, he shall forfeit to the state not less than \$50 or more than \$1,000 to be determined by the board according to the circumstances of the case. If such forfeiture is not paid when notice of the amount of the forfeiture has been served by the department, the attorney general shall sue for the recovery thereof in the name of the state."

-End-

STATE OF MONTANA

REQUEST NO. 132-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 19, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 255 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 255 would require the Board of Land Commissioners to use a "qualified land appraiser" whenever state land is purchased, exchanged, or sold.

FISCAL IMPACT:

None. It has been the policy of the State Board of Land Commissioners to require an appraisal of state land before it is offered for sale, purchased or exchanged.

FISCAL NOTE 5:J/1

Daniel M Lewis

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-20-83

Approved by Committee  
on State Administration

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3 Swift Ernest Bartelme Salas Switzer Levin  
4 Reynolds Schultz James Fager Shaw  
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19 trust for the support of education and for the attainment of  
20 other worthy objects helpful to the well-being of the people  
21 of this state. The board shall administer this trust to  
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12 (2) If the requirements of subsection (1) and 77-2-204  
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8 Section 4. Section 77-2-323, MCA, is amended to read:

9 "77-2-323. Sale procedure and limitation. (1) At the  
10 time fixed for the sale, the lands shall be offered for sale  
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12 Under the direction of the department the lands shall be  
13 sold to the highest qualified bidder under the following  
14 restrictions:

15 (a) No lands may be sold for less than the appraised  
16 value determined by the board after appraisal by a qualified  
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18 (b) Tillable lands capable of producing agricultural  
19 crops may not be sold for less than \$10 per acre.

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22 (2) The lands shall be sold as nearly as practicable  
23 according to the subdivisions in which they are advertised,  
24 and care shall be taken not to subdivide any tract in such a  
25 way as to separate remaining portions from a water supply or

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