

HOUSE BILL NO. 320

Introduced: 01/18/83

Referred to Committee on Highways & Transportation: 01/18/83

Hearing: 1/25/83

Report: 02/01/83, Do Pass

2nd Reading: 2/3/83

Rereferred to Committee on Highways & Transportation: 02/03/83

Report: 02/07/83, Do Pass, As Amended

2nd Reading: 02/09/83, Do Pass

3rd Reading: 02/11/83, Do Pass

Transmitted to Senate: 2/11/83

Referred to Committee on Judiciary: 02/12/83

Hearing: 3/2/83

Died in Senate Committee

1 House BILL NO. 320
 2 INTRODUCED BY J. Hansen
 3 BY REQUEST OF THE DEPARTMENT OF HIGHWAYS
 4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO REVISE THE METHOD BY
 6 WHICH THE DEPARTMENT OF HIGHWAYS DISPOSES OF REAL PROPERTY;
 7 TO RAISE THE VALUE OF REAL PROPERTY THAT CAN BE SOLD AT
 8 PRIVATE SALE; TO ALLOW THE SALE TO UNITS OF LOCAL GOVERNMENT
 9 AT THE APPRAISED VALUE; TO ALLOW THE SALE BY PUBLIC AUCTION
 10 OR SEALED BID; AND TO REMOVE THE PROVISION ALLOWING THE
 11 SUCCESSOR IN INTEREST TO MEET THE HIGH BID; AMENDING
 12 SECTIONS 60-4-201 THROUGH 60-4-204, MCA."
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 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 15 Section 1. Section 60-4-201, MCA, is amended to read:
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 17 The department may determine that an interest in real
 18 property, however acquired by it, is no longer necessary to
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 22 interest in real property needed for highway purposes. The
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 24 for the exchange.
 25 (2) The owner from whom the interest was originally

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STATE OF MONTANA

REQUEST NO. 165-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 20, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 320 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 320 revises the method by which the Department of Highways disposes of real property; raises the value of real property that can be sold at private sale; allows the sale to units of local government; provides method of sale; and removes successor-in-interest provision.

ASSUMPTIONS:

- 1) Sales by public bid (method of sales under current law) generate 102% of appraised value. [Based on last two years' sales.]
- 2) Sales by sealed bid generate 133% of appraised value.
- 3) 20 tracts with an average value of \$400 will be sold each year at private sale under the proposed law without the advertising and bid requirements. These sales would not be made under current law, since costs would exceed value of parcel.
- 4) Savings per sale will be \$322, due to reduced advertising and travel.
- 5) The appraised value of land offered by public sale will be \$245,000.

FISCAL IMPACT:

	<u>FY84</u>	<u>FY85</u>
Current Law		
Private Sales	-0-	-0-
Sales under Public Bid	\$249,900	\$249,900
Expenses	6,440	6,440
Total	<u>\$243,460</u>	<u>\$243,460</u>
Proposed Law		
Private Sales	\$ 8,000	\$ 8,000
Sales by Sealed Bid	325,850	325,850
Expenses	-0-	-0-
Total	<u>\$333,850</u>	<u>\$333,850</u>
Net Increase in Revenue to Highway Earmarked Account	<u>\$ 90,390</u>	<u>\$ 90,390</u>

FISCAL NOTE 7:M/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-25-83

Approved by Committee
on Highways & Transportation

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