

HOUSE BILL NO. 705

INTRODUCED BY REHBERG, KELLER, ERNST, PATTERSON, SWIFT, McCALLUM,  
IVERSON, RAMIREZ, BOYLAN, HANSON, E. SMITH, NATHE, CONOVER

IN THE HOUSE

February 7, 1985	Introduced and referred to Committee on State Administration.  Fiscal Note requested.
February 12, 1985	Fiscal Note returned.
February 18, 1985	Committee recommend bill pass. Report adopted.  Bill printed and placed on members' desks.
February 20, 1985	Second reading, do pass.  Considered correctly engrossed.
February 21, 1985	Third reading, passed.  Transmitted to Senate.

IN THE SENATE

February 22, 1985	Introduced and referred to Committee on Natural Resources.
March 19, 1985	Committee recommend bill be concurrred in. Report adopted.
March 22, 1985	Second reading, concurrred in.
March 25, 1985	Third reading, concurrred in. Ayes, 49; Noes, 0.  Returned to House.

IN THE HOUSE

March 26, 1985

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

1 HOUSE BILL NO. 705  
 2 INTRODUCED BY Rodney Heller Eric Patena  
 3 M. B. ... Gregory Ramirez Conor  
 4 m. Hanton G. Smith NATHO Conover  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING THE BOARD OF  
 6 LAND COMMISSIONERS TO HOLD A PUBLIC HEARING ON ANY EXCHANGE  
 7 OF STATE TRUST LANDS; PROVIDING FOR NOTICE OF A PROPOSED  
 8 EXCHANGE TO THE LEASEHOLDERS; PROVIDING FOR APPROVAL OF AN  
 9 EXCHANGE; PROVIDING FOR SETTLEMENT FOR IMPROVEMENTS;  
 10 PROVIDING THAT, IN AN EXCHANGE INVOLVING PRIVATE LAND, THE  
 11 PROPERTY APPRAISAL BE MADE AVAILABLE TO THE PUBLIC; AMENDING  
 12 SECTIONS 77-2-203 AND 77-2-204, MCA."

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
 14 Section 1. Section 77-2-203, MCA, is amended to read:  
 15 "77-2-203. Exchange for private land. (1) The board is  
 16 authorized to exchange state land for private land provided  
 17 that the private land is of equal or greater value, as  
 18 determined by the board after appraisal by a qualified land  
 19 appraiser, than the state land and as closely as possible  
 20 equal in area. The contents of the appraisal must be made  
 21 available to any person who makes a written request to the  
 22 board. The board shall place priority on exchanges which  
 23 result in consolidation of state lands into more compact  
 24 bodies. This section does not apply to exchanges undertaken  
 25 under 76-12-107.

1 (2) If the requirements of subsection (1) and 77-2-204  
 2 are met, state lands bordering on navigable lakes and  
 3 streams or other bodies of water with significant public use  
 4 value may be exchanged for private land if the private land  
 5 borders on similar navigable lakes, streams, or other bodies  
 6 of water."

7 Section 2. Section 77-2-204, MCA, is amended to read:  
 8 "77-2-204. Hearing---on---exchange---of---private---land  
 9 Notification of proposed exchange -- hearing. (1) Upon  
 10 receipt of a proposal for an exchange of land under this  
 11 part, the board shall give notice of the proposed exchange  
 12 by certified mail to each person who has leased, under  
 13 chapter 1 of this title, any portion of land involved in the  
 14 proposed exchange. Any such leaseholder may present written  
 15 or oral comments on the proposed exchange to the board  
 16 before or during the hearing required by subsection (2). The  
 17 notice must contain a statement informing the recipient of  
 18 this right to comment.

19 (2) Prior---to---completing---any---such---exchange---under  
 20 77-2-203;--a A public hearing on any exchange under this part  
 21 shall be held in the county containing the state land to be  
 22 exchanged. When specific objections to the proposed  
 23 exchange are raised before or during any such hearing  
 24 pursuant to subsection (1), the board shall make findings of  
 25 fact responding to such objections and explaining their

1 action."

2 NEW SECTION. Section 3. Approval or disapproval of  
3 exchanges. All exchanges of state lands are subject to  
4 approval and confirmation by the board, and no exchange is  
5 considered completed until after such approval and  
6 confirmation. The board has the power and it is its duty to  
7 disapprove any exchange which in its opinion would be  
8 disadvantageous to the state.

9 NEW SECTION. Section 4. Settlement for improvements.  
10 If any state land is exchanged on which there are  
11 improvements belonging to a lessee and some person other  
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13 with the lessee for all improvements on the land belonging  
14 to the lessee before the exchange is completed. The  
15 provisions of 77-6-301 through 77-6-306 relating to the  
16 payment and settlement for improvements on state lands  
17 between a former lessee and a new lessee apply to the  
18 settlement between a lessee and the transferee in an  
19 exchange. If settlement is not reached within 6 months of  
20 date of exchange, all improvements become the property of  
21 the state unless the department for good cause shown grants  
22 both parties additional time in which to exhaust  
23 arbitration.

24 NEW SECTION. Section 5. Codification instruction.  
25 Sections 3 and 4 are intended to be codified as an integral

1 part of Title 77, chapter 2, part 2, and the provisions of  
2 Title 77, chapter 2, part 2, apply to sections 3 and 4.

3 NEW SECTION. Section 6. Extension of authority. Any  
4 existing authority of the board of land commissioners to  
5 make rules on the subject of the provisions of this act is  
6 extended to the provisions of this act.

-End-

STATE OF MONTANA

FISCAL NOTE

REQUEST NO. FNN362-85

Form BD-15

In compliance with a written request received February 7 19 85, there is hereby submitted a Fiscal Note for H.B. 705 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 705 directs the Board of Land Commissioners to notify a lessee, by certified mail, of a proposed land exchange, to make the contents of the appraisal available to any person who makes a written request to the Board.

ASSUMPTIONS:

The Department assumes there will be twelve land exchanges each year. Any additional expenditures will be assumed within current appropriations.

FISCAL IMPACT:

There is no significant increased expenditure impact.

AFFECTED LOCAL REVENUE OR EXPENDITURES:

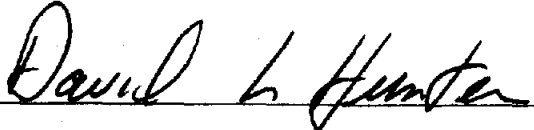
None

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

None

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

None



BUDGET DIRECTOR  
Office of Budget and Program Planning

Date: Feb 12, 1985  
HB 705

APPROVED BY COMMITTEE  
ON STATE ADMINISTRATION

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 3    M. C. Miller Avery Ramirez Doyle  
 4    M. Hansen G. Smith NATHO Conover  
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1            (2) If the requirements of subsection (1) and 77-2-204  
 2    are met, state lands bordering on navigable lakes and  
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-End-

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INTRODUCED BY *Rebecca Keller* *Eric Patton* *Jeff*  
*M. Hansen* *Amy* *Ramirez* *Conan*  
*G. Smith* *NATHAN* *Conover*

A BILL FOR AN ACT ENTITLED: "AN ACT DIRECTING THE BOARD OF LAND COMMISSIONERS TO HOLD A PUBLIC HEARING ON ANY EXCHANGE OF STATE TRUST LANDS; PROVIDING FOR NOTICE OF A PROPOSED EXCHANGE TO THE LEASEHOLDERS; PROVIDING FOR APPROVAL OF AN EXCHANGE; PROVIDING FOR SETTLEMENT FOR IMPROVEMENTS; PROVIDING THAT, IN AN EXCHANGE INVOLVING PRIVATE LAND, THE PROPERTY APPRAISAL BE MADE AVAILABLE TO THE PUBLIC; AMENDING SECTIONS 77-2-203 AND 77-2-204, MCA."

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