

SENATE BILL NO. 301

INTRODUCED BY CONOVER, LANE,
YELLOWTAIL, B. WILLIAMS, BOYLAN

BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE SENATE

February 1, 1985	Introduced and referred to Committee on Agriculture, Livestock and Irrigation.
February 14, 1985	Committee recommend bill do pass as amended. Report adopted.
February 15, 1985	Bill printed and placed on members' desks.
February 16, 1985	Second reading, pass consideration.
February 18, 1985	Second reading, do pass.
February 19, 1985	Considered correctly engrossed.
February 20, 1985	Third reading, passed. Ayes, 49; Noes, 0.
	Transmitted to House.

IN THE HOUSE

February 27, 1985	Introduced and referred to Committee on Agriculture, Livestock and Irrigation.
March 14, 1985	Committee recommend bill be concurred in as amended. Report adopted.
March 19, 1985	Second reading, concurred in as amended.

March 19, 1985	Second reading, segregated from Committee of the Whole report.
March 23, 1985	Second reading, concurred in.
March 25, 1985	Third reading, concurred in. Returned to Senate with amendments.

IN THE SENATE

March 25, 1985	Received from House.
April 2, 1985	Second reading, amendments concurred in.
April 4, 1985	Third reading, amendments concurred in. Ayes, 50; Noes, 0. Sent to enrolling. Reported correctly enrolled.

1 *Senate* BILL NO. *301*
 2 INTRODUCED BY *Casper LANE* *Ullenthal - 13* *Willis*
 3 BY REQUEST OF THE DEPARTMENT OF STATE LANDS *Conly*

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PAYMENT
 6 DEADLINES FOR STATE AGRICULTURAL LEASES; AMENDING SECTION
 7 77-6-506, MCA."

8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 77-6-506, MCA, is amended to read:
 11 "77-6-506. Date when rental due -- cancellation for
 12 nonpayment. The (1) For grazing leases, the grazing portion
 13 of leases containing both agricultural and grazing land, and
 14 agricultural leases not based on a crop share, the rental
 15 for the first year of the lease shall be paid at or before
 16 the time of the execution of the lease; however, in the case
 17 of leases which take effect on and after October 1 and
 18 before the expiration of the coming February, both the
 19 rental for the fractional year and for the next full year
 20 beginning March 1 shall be paid and collected at the time of
 21 issuing the lease. If the United States is the lessee of
 22 state lands for grazing purposes, the rental shall be
 23 payable at the end of each year of the lease. The rental for
 24 each succeeding year on leases hereafter issued, with the
 25 exception of leases wherein the United States is the lessee,

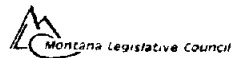
1 is due and payable before March 1, and if not paid by April
 2 1 the entire lease is canceled. The department shall--notify
 3 the--lessee--by--letter--addressed--to--the--post--office--address
 4 given--in--the--lease--of--the--cancellation,--and--the--land--is--then
 5 open--for--lease--to--other--applicants.

6 (2) For agricultural leases and the agricultural
 7 portion of leases containing both grazing and agricultural
 8 land, when the rental is paid on a crop share basis or on a
 9 crop share/cash basis, the rental shall be paid in cash on
 10 or before November 15 of the year in which the crop is
 11 harvested, except that when the lessee is the United States,
 12 the rental shall be paid on or before December 31 of the
 13 year in which the crop is harvested. The department may
 14 extend the deadline in writing. If the lessee does not make
 15 the rental payment by the statutory deadline or date of
 16 extension, the entire lease is canceled.

17 (3) When a lease is canceled under subsection (1) or
 18 (2), the department shall notify the lessee of the
 19 cancellation by letter at the address given in the lease.
 20 The land is then open for lease to other applicants."

21 NEW SECTION. Section 2. Applicability. This act
 22 applies to all leases of state agricultural lands in effect
 23 on the effective date of this act and to all future leases
 24 of state agricultural lands.

25 NEW SECTION. Section 3. Severability. If a part of



1 this act is invalid, all valid parts that are severable from
2 the invalid part remain in effect. If a part of this act is
3 invalid in one or more of its applications, the part remains
4 in effect in all valid applications that are severable from
5 the invalid applications.

6 NEW SECTION. Section 4. Extension of authority. Any
7 existing authority of the board of land commissioners or the
8 department of state lands to make rules on the subject of
9 the provisions of this act is extended to the provisions of
10 this act.

-End-

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

SENATE BILL NO. 301

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BY REQUEST OF THE DEPARTMENT OF STATE LANDS

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PAYMENT
DEADLINES AND RELATED ENFORCEMENT PROCEDURES FOR STATE
AGRICULTURAL LEASES; AMENDING SECTION 77-6-506, MCA."

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

Section 1. Section 77-6-506, MCA, is amended to read:

"77-6-506. Date when rental due -- cancellation for
nonpayment. The (1) For grazing leases, the grazing portion
of leases containing both agricultural and grazing land, and
agricultural leases not based on a crop share, the rental
for the first year of the lease shall be paid at or before
the time of the execution of the lease; however, in the case
of leases which take effect on and after October 1 and
before the expiration of the coming February, both the
rental for the fractional year and for the next full year
beginning March 1 shall be paid and collected at the time of
issuing the lease. If the United States is the lessee of
state lands for grazing purposes, the rental shall be
payable at the end of each year of the lease. The rental for
each succeeding year on leases hereafter issued, with the

exception of leases wherein the United States is the lessee,
is due and payable before March 1, and if not paid by April
1 the entire lease is canceled. ~~The department shall notify~~
~~the lessee by letter addressed to the post office address~~
~~given in the lease of the cancellation, and the land is then~~
~~open for lease to other applicants.~~

(2) For agricultural leases and the agricultural
portion of leases containing both grazing and agricultural
land, when the rental is paid on a crop share basis or on a
crop share/cash basis, the rental shall be paid IS DUE in
cash on or before November 15 of the year in which the crop
is harvested, except that when the lessee is the United
States. IF the rental shall be IS NOT paid on or before
December 31 of the year in which the crop is harvested, THE
ENTIRE LEASE IS CANCELED. The department may extend the
deadline in writing. If the lessee does not make the rental
payment by the statutory deadline or date of extension, the
entire lease is canceled.

(3) AT LEAST 2 WEEKS PRIOR TO THE FINAL DEADLINE FOR
PAYMENT UNDER SUBSECTION (1) OR (2), THE DEPARTMENT SHALL
SEND BY CERTIFIED MAIL TO EACH LESSEE WHO HAS NOT MADE
PAYMENT A LETTER NOTIFYING THE LESSEE THAT THE LEASE IS
CANCELED IF PAYMENT IS NOT RECEIVED BY THE FINAL DEADLINE.
THE NOTICE SHALL BE SENT TO THE LESSEE AT THE ADDRESS GIVEN
IN THE LEASE.

SECOND READING

1 ~~(3)~~(4) When a lease is canceled under subsection (1)
2 or (2), the department shall notify the lessee of the
3 cancellation by letter at the address given in the lease.
4 The land is then open for lease to other applicants."

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6 applies to all leases of state agricultural lands in effect
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15 NEW SECTION. Section 4. Extension of authority. Any
16 existing authority of the board of land commissioners or the
17 department of state lands to make rules on the subject of
18 the provisions of this act is extended to the provisions of
19 this act.

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19 this act.

-End-

STANDING COMMITTEE REPORT

..... March 14 19 85

MR. Speaker

We, your committee on Agriculture

having had under consideration Senate Bill No. 301

Third reading copy (Blue)
color

TO ESTABLISH PAYMENT DEADLINES FOR STATE AGRICULTURAL LEASES

Respectfully report as follows: That Senate Bill No. 301

BE AMENDED AS FOLLOWS:

- 1. Page 2, line 17
Strike: "statutory deadline or"

JS

AND AS AMENDED,
BE CONCURRED IN

~~EXPRESS~~ JW 3/14

James M. Schultz
.....
REP. JAMES SCHULTZ, 3 Chairman.

COMMITTEE OF THE WHOLE AMENDMENT

3161425b.cw

HOUSE

3-16-85
DATE

(51)

2:25
TIME

MR. CHAIRMAN: I MOVE TO AMEND _____ Senate Bill _____ No. 301

3rd reading copy (blue) as follows:
Color

1. Page 3, line 4.
Strike: "other"

PASSED

ADOPT

REJECT


.....
Rep. Marks

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