

SB 158 INTRODUCED BY MANNING, NISBET, WALKER
LESSEE OPTION TO PURCHASE STATE CABIN SITE LEASE

1/20 INTRODUCED

1/20 REFERRED TO LOCAL GOVERNMENT

1/21 FISCAL NOTE REQUESTED

1/23 FISCAL NOTE RECEIVED

1/27 HEARING

2/03 ADVERSE COMMITTEE REPORT ADOPTED

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1 *Senate* BILL NO. *157*
2 INTRODUCED BY *Richard E. Manning* *Nickel* *Waller*

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE FOR SALE OF
5 STATE LANDS COMPRISING LEASED CABIN SITES OR CITY OR TOWN
6 LOTS UPON REQUEST OF THE LESSEES THEREOF; AND AMENDING
7 SECTIONS 77-2-301 AND 77-2-303, MCA."

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

10 Section 1. Section 77-2-301, MCA, is amended to read:

11 "77-2-301. Sales of state land under board control.
12 The board is hereby vested with the power and authority to
13 decide when sales of state lands are to be held and what
14 state lands are to be offered for sale, subject to the
15 limitations of this title, as the best interests of the
16 state may appear to require. As a general rule and except
17 as provided in [section 3], no sale of state lands shall be
18 held unless applications have been made for the purchase of
19 lands within one county by prospective purchasers
20 representing at least 12 families."

21 Section 2. Section 77-2-303, MCA, is amended to read:

22 "77-2-303. Restrictions on land available for sale.
23 (1) Lands classified as timberlands are not subject to sale,
24 but timber thereon may be sold and disposed of in the manner
25 provided by law.

1 (2) Lands which in the judgment of the board are
2 likely to contain valuable deposits of coal, oil, oil shale,
3 phosphate, metals, sodium, or other valuable mineral
4 deposits are not subject to sale, either the surface land or
5 any of such deposits therein. However, this does not
6 prohibit the sale of lands containing sand, gravel, building
7 stone, brick clay, or similar materials.

8 (3) (a) There Except as provided in [section 3], there
9 is also reserved from sale from all state lands bordering on
10 navigable lakes or bordering on nonnavigable meandered lakes
11 and from all state lands bordering on navigable streams, as
12 the board may deem in the best interests of the state, a
13 strip of land which shall include all the land lying between
14 low-water mark and high-water mark and which in addition
15 shall extend in width landward from the line of high-water
16 mark of such lake or stream the full width of the 40-acre
17 tract or government lot abutting the line of high-water
18 mark. If the width of such abutting government lot at its
19 narrowest point is less than 100 feet, then the strip hereby
20 reserved shall extend to and include the next adjoining
21 40-acre tract or government lot. The land reserved from sale
22 by this subsection shall be subject to the granting of
23 easements the same as other state lands.

24 (b) Such strips of land bordering on meandering lakes
25 or on navigable streams, except the strip lying between

1 low-water and high-water mark, whether surveyed and platted
2 into blocks and lots or not, may, however, be leased as
3 provided in this title for the leasing of other state
4 lands."

5 NEW SECTION. Section 3. Sale of leased cabin sites or
6 city or town lots. At the request of the lessee thereof and
7 if consistent with the orderly development and management of
8 state lands, the board may make available for sale, in the
9 manner provided in this part, any leased cabin site or city
10 or town lot then held under lease.

11 NEW SECTION. Section 4. Extension of authority. Any
12 existing authority of the board of land commissioners to
13 make rules on the subject of the provisions of this act is
14 extended to the provisions of this act.

15 NEW SECTION. Section 5. Codification instruction.
16 Section 3 is intended to be codified as an integral part of
17 Title 77, chapter 2, part 3, and the provisions of Title 77,
18 chapter 2, part 3, apply to section 3.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB158, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

This bill provides for the sale of state lands, controlled by the Land Board, comprising of leased cabin sites or city or town lots.

ASSUMPTIONS:

1. This bill affects only the sale of state lands under the control of the Land Board.
2. It is estimated that there are 1,800 sites averaging three acres in size which would qualify for sale under this Act.
3. The addition of 1 1/2 FTE's would be necessary for the sale of not more than 100 parcels per year.
4. All lots, before being sold, will have to be surveyed, appraised, and may require subdivision under the Subdivision and Platting Act.
5. The estimates do not contain funding for subdivision and platting.
6. \$833 in rental fees per year would be lost.
7. Revenue from earnings from the sale of state lands would be based on an estimated 12% interest rate. Funds would be invested in the Trust and Legacy Fund.

FISCAL IMPACT:Expenditures:

	FY88			FY89		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Personal Services	\$ 0	\$ 32,944	\$ 32,944	\$ 0	\$ 32,944	\$ 32,944
Operating Expense	0	2,000	2,000	0	2,000	2,000
Equipment	0	0	0	0	0	0
Total	\$ 0	\$ 34,944	\$ 34,944	\$ 0	\$ 34,944	\$ 34,944
General Fund	\$ 0	\$ 34,944	\$ 34,944	\$ 0	\$ 34,944	\$ 34,944

Revenues:

Permanent Trust Fund	\$ 0	\$ 285,000	\$ 285,000	\$ 0	\$ 285,000	\$ 285,000
School Foundation Program						
Loss due to decreased lease income	\$ 0	\$ 833	\$ 833	\$ 0	\$ 1,666	\$ 1,666
Gain due to increased interest savings	0	34,200	34,200	0	68,400	68,400
(Loss)Gain by Utilization of Bill	\$ 0	\$ 33,367	\$ 33,367	\$ 0	\$ 66,734	\$ 66,734

David L. Hunter DATE 1/21/87
 DAVID L. HUNTER, BUDGET DIRECTOR
 Office of Budget and Program Planning

Richard E. Manning DATE 1/22/87
 RICHARD MANNING, PRIMARY SPONSOR

Fiscal Note for SB158, as introduced.

SB-158