

HOUSE BILL 183

Introduced by Endy, et al.

1/14	Introduced
1/14	Referred to Agriculture, Livestock & Irrigation
1/14	First Reading
1/14	Fiscal Note Requested
1/20	Fiscal Note Received
1/20	Fiscal Note Printed
1/21	Hearing
2/04	Tabled in Committee
2/18	Motion Failed to take from Committee and Place on 2nd Reading

House BILL NO. 183

INTRODUCED BY Emily Haligal 9<sup>th</sup> Ryan  
Helvin Lisa McArthur SRice Larson Hager  
 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING STATE LAND  
 LESSEES TO MARK THE BOUNDARY OF CERTAIN LEASEHOLDS;

REQUIRING THE DEPARTMENT OF STATE LANDS TO PROVIDE  
 APPROPRIATE SIGNS; ALLOWING THE DEPARTMENT TO INCLUDE THE  
 COST OF PROVIDING SIGNS IN NEW OR RENEWAL LEASE PROVISIONS  
 ON A ONE-TIME BASIS; AND AMENDING SECTION 77-1-203, MCA."

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

**Section 1.** Section 77-1-203, MCA, is amended to read:

"77-1-203. Multiple-use management. (1) The board shall  
 manage state lands under the multiple-use management concept  
 defined as the management of all the various resources of  
 the state lands so that:

(a) they are utilized in that combination best meeting  
 the needs of the people and the beneficiaries of the trust,  
 making the most judicious use of the land for some or all of  
 those resources or related services over areas large enough  
 to provide sufficient latitude for periodic adjustments in  
 use to conform to changing needs and conditions and  
 realizing that some land may be used for less than all of  
 the resources; and

(b) harmonious and coordinated management of the

various resources, each with the other, will result without  
 impairment of the productivity of the land, with  
 consideration being given to the relative values of the  
 various resources.

(2) If a parcel of state land in one class has other  
 multiple uses or resource values which are of such  
 significance that they do not warrant classification for the  
 value, the land shall must, nevertheless, be managed insofar  
 as is possible to maintain or enhance these multiple-use  
 values.

(3) State lands, including those lands that are leased  
 primarily for other purposes, are open to general  
 recreational use subject to legal access and to closures and  
 restrictions pursuant to rules adopted under 77-1-804.

(4) The department shall include in all new or renewal  
 leases and licenses a provision that leased lands may not be  
 closed at any time to the public for general recreational  
 purposes without advance written permission of the  
 department.

(5) The department may include in a new or renewal  
 lease on a one-time basis a provision to cover the  
 department's cost of providing signs for the marking of  
 state leaseholds as required in [section 2]."

**NEW SECTION. Section 2.** Posting of state lands  
 required. The lessee shall post the boundary of any state

1 land leasehold required to be open to general recreational  
2 use under 77-1-203(3), except a leasehold on a cabin site or  
3 other site that includes a building. Posting must be  
4 accomplished through the use of signs prepared and supplied  
5 by the department that are consistent in size, color, and  
6 lettering. The lessee shall conspicuously place the signs in  
7 a manner to inform the general recreational user of the  
8 entire boundary of the leasehold.

9 NEW SECTION. **Section 3.** Codification instruction.

10 [Section 2] is intended to be codified as an integral part  
11 of Title 77, chapter 1, part 8, and the provisions of Title  
12 77, chapter 1, part 8, apply to [section 2].

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0183, as introduced.

**DESCRIPTION OF PROPOSED LEGISLATION:** An act requiring state land lessees to mark the boundaries of certain leaseholds; requiring the Department of State Lands to provide appropriate signs; allowing the department to include the cost of providing the signs in new or renewal lease provisions on a one-time basis.

**ASSUMPTIONS:**

1. There are over 16,000 separate state land tracts.
2. Four sides per tract requiring four signs/side.  $16,000 \times 4 \times 4 = 256,000$  total signs required.
3. Signs should be similar to those utilized by the U. S. Forest Service. Those signs are 7" x 10" and are made from .40" gauge aluminum.
4. The USFS currently pays \$1.52 per sign as delivered.
5. The signs are to be available for the lessees for immediate posting.
6. The DSL would notify the lessees when the signs are available and the cost of the signs. The lessees would be required to pick up the signs at their respective Area or Unit Office.
7. The DSL administers 10,000 surface leases/licenses. The DSL renews 950+ leases per year and issues 50 new leases per year. Therefore, the complete repayment of the cost of the signs would require ten years.

**FISCAL IMPACT:**

1. The DSL would need a general fund appropriation for the up-front purchase of the signs.
2. The DSL would be reimbursed by the lessees for costs incurred in producing the signs.  
However, the reimbursement would not be complete for ten years.
3. Revenue derived from the lessee payment for the signs would be 1/10 of the initial cost per year, over ten years.

**Expenditures:**

1. Total estimated cost for sign production would be  $256,000 \text{ signs} \times \$1.52 = \$389,120$ .  
This is an up-front cost to the DSL which would not be fully reimbursed for ten years.
2. The DSL would incur an increased workload in contracting for the signs; distributing the signs; calculating signs required per lease; and billing and cashiering the repayment for the signs.

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David Lewis 1-20-93  
DAVID LEWIS, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

\_\_\_\_\_  
WILLIAM ENDY, PRIMARY SPONSOR DATE

Fiscal Note for HB0183, as introduced

SB 183

Revenues:

1. \$38,912 per year to the general fund for the next ten fiscal years (1994-2003).

Net Impact:

1. \$389,120 up-front general fund cost for purchase of the signs.
2. The up-front cost would not be recouped for ten years.

TECHNICAL NOTES:

1. The proposed legislation does not specify by when the posting must be accomplished.
2. The proposed legislation does not address how the boundary of the state land will be determined. Many boundaries are unknown at present and if a legal survey is required, substantial costs will be incurred by the party responsible for the survey.
3. The proposed legislation is not specific as to how many signs are necessary to accomplish the task of conspicuously marking the boundary.
4. The proposed legislation does not address what will result from lessee failure to post.
5. The proposed legislation does not address who is responsible for marking the boundaries of unleased lands (i.e., forested lands).

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