

HOUSE BILL NO. 393

INTRODUCED BY WAGNER, GRADY, SWIFT, BENEDICT
BY REQUEST OF THE DEPARTMENT OF STATE LANDS

IN THE HOUSE

JANUARY 30, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON NATURAL RESOURCES.
	FIRST READING.
FEBRUARY 8, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 9, 1993	PRINTING REPORT.
FEBRUARY 10, 1993	SECOND READING, DO PASS.
FEBRUARY 11, 1993	ENGROSSING REPORT.
FEBRUARY 13, 1993	THIRD READING, PASSED. AYES, 97; NOES, 1.
FEBRUARY 15, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 16, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON NATURAL RESOURCES.
	FIRST READING.
MARCH 12, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
	ON MOTION, REREFERRED TO COMMITTEE ON TAXATION.
APRIL 2, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
APRIL 3, 1993	ON MOTION, CONSIDERATION PASSED FOR THE DAY.
APRIL 5, 1993	SECOND READING, CONCURRED IN.
APRIL 6, 1993	THIRD READING, CONCURRED IN. AYES, 50; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

APRIL 7, 1993

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 393
 2 INTRODUCED BY Wagner Brushy inif Benedict
 3 BY REQUEST OF THE DEPARTMENT OF STATE LANDS
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT COMBINING CERTAIN
 6 TIMBER HARVESTING FEES INTO ONE FOREST IMPROVEMENT FEE;
 7 GENERALLY CLARIFYING STATUTORY LANGUAGE REGARDING TIMBER
 8 SALES AND HARVESTING ON STATE LANDS; AMENDING SECTION
 9 77-5-204, MCA; AND PROVIDING AN EFFECTIVE DATE."
 10

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

12 **Section 1.** Section 77-5-204, MCA, is amended to read:

13 "77-5-204. Sale of timber -- fees fee for brush
 14 disposal-and-timber-stand forest improvement. (1) The board
 15 may sell timber on state lands, at such a price per 1,000
 16 feet as that, in its the board's judgment, is in the best
 17 interest of the state, but-not-otherwise-but-no-such-sale
 18 of provided that live timber shall-be is not sold for less
 19 than:

20 (a) \$3 per 1,000 feet for white pine, yellow pine, and
 21 spruce; or

22 (b) less-than \$1.50 per 1,000 feet for all other timber
 23 species.

24 (2) All-timber Timber sold or cut from state lands
 25 shall must be cut and removed under such rules that may be

1 prescribed by the board for the--preservation--of standing
 2 timber preservation and the fire prevention of-fires-as-the
 3 board-prescribes. In all cases, the board must shall require
 4 the person cutting the timber to pile and burn or otherwise
 5 dispose of the brush and slashings slash in such the manner
 6 as-may-be-required that may be prescribed by the board.

7 (3) Before any the sale of timber is granted, the value
 8 of the timber shall must be estimated--and appraised under
 9 the direction of the department, upon the request and
 10 subject to the approval of the board. These--estimates--and
 11 appraisals--shall An appraisal must show as nearly as
 12 possible:

13 (a) the amount--and-values value per 1,000 feet of all
 14 merchantable timber;

15 (b) together-with-a--statement--of--the--situation the
 16 condition of the timber relative to risk from fires or other
 17 damage of-any-kind;

18 (c) its the timber's distance from the nearest lake,
 19 stream, or railroad;

20 (d) its the timber's value and-position as a protection
 21 to a watershed.

22 (4) The In addition to the price of the timber
 23 established under subsection (1), the board may set-fees-for
 24 brush--disposal-on-state-lands--The-board-may-also-establish
 25 a-fee-for-timber-stand-improvement-on-timber--cut--on--state

1 ~~lands.--Such--fees--shall~~ require a timber purchaser to pay a
2 fee for timber stand improvement. Revenue from the fee must
3 be deposited in the state special revenue fund to the credit
4 of the department and, as appropriated by the legislature,
5 may be used only for:

6 (a) disposing of logging slash;
7 (b) acquiring access and maintaining roads necessary
8 for timber harvesting on state lands;
9 (c) reforesting, thinning, and otherwise improving the
10 condition and income potential of forested state lands; and
11 (d) complying with legal requirements for timber
12 harvesting."

13 NEW SECTION. **Section 2.** Effective date. [This act] is
14 effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0393, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: This bill would combine the currently authorized brush disposal and timber stand improvement fees and associated accounts into a single fee and account for forest improvement. It would also authorize the Department of State Lands to spend forest improvement funds on road maintenance and acquisition, and other legal requirements associated with timber harvesting.

ASSUMPTIONS:

1. The amount of the forest improvement fee would, at least initially, be identical to the sum of the current brush disposal and timber stand improvement fees. This combination of fees would apply to all active timber sales on the effective date, as well as all timber sales sold after that date.
2. The forest improvement fee would be set by the Board of Land Commissioners, as are the current brush disposal and timber stand improvement fees.
3. While the bill provides for additional uses of the forest improvement account, there is no corresponding budget modification under legislative consideration to allow expenditure of additional funds for these uses. Modifying the fee level to provide revenue for these uses would require separate approval by the Board of Land Commissioners. Consequently, the bill does not involve additional expenditures or provide additional revenues.
4. The table shows the current total expenditures and revenues with no net impact.

FISCAL IMPACT:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Expenditures:						
Personal Services	524,617	524,617	0	527,341	527,341	0
Operating Expenses	585,725	585,725	0	589,348	589,348	0
Equipment	<u>24,300</u>	<u>24,300</u>	<u>0</u>	<u>21,800</u>	<u>21,800</u>	<u>0</u>
Total	1,134,642	1,134,642	0	1,138,489	1,138,489	0
Revenues:						
Forest Improvement Fees	942,000	942,000	0	942,000	942,000	0

TECHNICAL NOTES: The words "fee for timber stand improvement" in paragraph (4) (p.3, line 2 of bill), should be changed to "fee for forest improvement," to make the language consistent with the title of the bill, and with the heading of Section 77-5-204 (p.1, line 14 of bill).

David Lewis 2-4-93
 DAVID LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Douglas T. Wagner 2/4/93
 DOUGLAS WAGNER, PRIMARY SPONSOR DATE

Fiscal Note for HB0393, as introduced

HB 393

APPROVED BY COMM. ON
NATURAL RESOURCES

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feet as that, in its the board's judgment, is in the best
interest of the state, ~~but-not-otherwise;-but-no-such-sale~~
of provided that live timber ~~shall-be~~ is not sold for less
than:

(a) \$3 per 1,000 feet for white pine, yellow pine, and
spruce; or

(b) ~~less-than~~ \$1.50 per 1,000 feet for all other timber
species.

(2) ~~All-timber~~ Timber sold or cut from state lands
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the person cutting the timber to pile and burn or otherwise
dispose of the brush and slashings slash in such the manner
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of the timber shall must be estimated--and appraised under
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(b) ~~together-with-a--statement--of--the--situation~~ the
condition of the timber relative to risk from fires or other
~~damage of-any-kind;~~

(c) its the timber's distance from the nearest lake,
stream, or railroad; and

(d) its the timber's value and-position as a protection
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