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1	House BILL NO. 551
2	INTRODUCED BY GRINDE
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A PENALTY FOR INSTALLATION OR
5	CONSTRUCTION OF A FACILITY OR STRUCTURE ON STATE TRUST LAND BY A PERSON OTHER THAN
6	A LESSEE WITHOUT PERMISSION OF THE DEPARTMENT OF NATURAL RESOURCES AND
7	CONSERVATION; ALLOWING THE DEPARTMENT TO REQUIRE THE REMOVAL OF THE FACILITY OR
8	STRUCTURE, RECLAMATION OF DISTURBED STATE TRUST LAND, PAYMENT FOR REMOVAL AND
9	RECLAMATION, OR PAYMENT FOR AN EASEMENT, LEASE, OR LICENSE IN LIEU OF REMOVAL; AND
10	PROVIDING AN EFFECTIVE DATE."
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12	STATEMENT OF INTENT
13	It is the intent of the legislature to protect state trust land from resource damage by nonauthorized
14	use of state trust land. The legislature intends that the department of natural resources and conservation
15	and the board of land commissioners use this legislation to ensure that all use of state trust land is in the
16	best interests of the state and returns full market value to the school trust. The legislature intends that the
17	penalty amounts established in this bill be used as maximums and expects the board to set appropriate
18	specific penalty amounts on a case-by-case basis, taking into account the facts of each situation. It is not
19	the intent of the legislature that the board impose the maximum penalty without sufficient justification.
20	Nothing in this bill should be construed as requiring the department or the board to change or increase
21	current state trust land trespass enforcement efforts.
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23	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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25	NEW SECTION. Section 1. Liability for unauthorized installation or construction of facility or
26	structure on state trust land penalty. (1) A person, other than the lessee of the affected state trust land,
27	may not, after September 30, 1997:
28	(a) install or construct a road, pipeline, ditch, utility line, fence, building, or other facility or
29	structure on state trust land without obtaining an easement, lease, license, or other written permission of
30	the department; or





1 (b) disturb state trust land in anticipation of the installation or construction of the facility or 2 structure.

3 (2) A person who violates subsection (1) is liable to the department for a civil penalty in an amount
4 determined by the board. The penalty may be an amount up to three times the full market value of the land
5 disturbed or affected or \$500, whichever is greater.

6 (3) In addition to the penalty provided for in subsection (1), a person who installs or constructs a 7 facility or structure on state trust land without permission is liable for any permanent damage to the state 8 trust land and may be required to remove the facility or structure and to reclaim the disturbed land to the 9 satisfaction of the department or to pay the department's cost of removal and reclamation.

(4) If the department allows the facility or structure to remain on state trust land, the department
 shall also require payment of full market value of any easement, lease, or license required for the facility
 or structure.

13 (5) The penalties provided in this section do not apply to the lessee of the affected state trust land.
14 The remedies and penalties provided in a state trust easement, lease, or license and the statutes and
15 regulations under which the easement, lease, or license was entered are the exclusive remedies and
16 penalties that may be applied to a lessee.

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18 <u>NEW SECTION.</u> Section 2. Codification instruction. [Section 1] is intended to be codified as an 19 integral part of Title 77, chapter 1, part 1, and the provisions of Title 77, chapter 1, part 1, apply to 20 [section 1].

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22 <u>NEW SECTION.</u> Section 3. Effective date. [This act] is effective July 1, 1997.

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-END-

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## STATE OF MONTANA - FISCAL NOTE

## Fiscal Note for HB0551, as introduced

## DESCRIPTION OF PROPOSED LEGISLATION:

An act providing a penalty for installation or construction of a facility or structure on state trust land by a person other than a lessee without permission of the Department of Natural Resources and Conservation; allowing the department to require the removal of the facility or structure, reclamation of disturbed state trust land, payment for removal and reclamation, or payment for an easement, lease, or license in lieu of removal.

#### ASSUMPTIONS:

- 1. The number of trespass occurrences per fiscal year will remain the same as presently experienced--five per year for the 1999 biennium.
- 2. The average penalty assessed by the Board of Land Commissioners is \$500.
- 3. All penalties paid will be deposited to the general fund. (5 X \$500 = \$2,500/FY)
- 4. DNRC costs associated with implementing this legislation will be minimal and can be absorbed within present law base budget as recommended in the Executive Budget for the 1999 biennium.

# FISCAL IMPACT:

<u>Revenues:</u>
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FY99
<u>Difference</u>
2,500
2,500

### LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

It is expected that enactment and implementation of this legislation will act as a deterrent to future trespasses and, therefore, the monies received from penalties should decrease in future biennia.

DAVE LEWIS, BUDGET DIRECTOR DATE Office of Budget and Program Planning

LARRY HAL GRINDE, PRIMARY SPONSOR DATE

Fiscal Note for <u>HB0551</u>, as introduced **HB** 551

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-FRINDE INTRODUCED BY A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A PENALTY FOR INSTALLATION OR CONSTRUCTION OF A FACILITY OR STRUCTURE ON STATE TRUST LAND BY A PERSON OTHER THAN A LESSEE WITHOUT PERMISSION OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION; ALLOWING THE DEPARTMENT TO REQUIRE THE REMOVAL OF THE FACILITY OR STRUCTURE, RECLAMATION OF DISTURBED STATE TRUST LAND, PAYMENT FOR REMOVAL AND RECLAMATION, OR PAYMENT FOR AN EASEMENT, LEASE, OR LICENSE IN LIEU OF REMOVAL; AND

HOUSE BILL NO. 551

10 PROVIDING AN EFFECTIVE DATE."

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# STATEMENT OF INTENT

It is the intent of the legislature to protect state trust land from resource damage by nonauthorized 13 use of state trust land. The legislature intends that the department of natural resources and conservation 14 and the board of land commissioners use this legislation to ensure that all use of state trust land is in the 15 best interests of the state and returns full market value to the school trust. The legislature intends that the 16 17 penalty amounts established in this bill be used as maximums and expects the board to set appropriate specific penalty amounts on a case-by-case basis, taking into account the facts of each situation. It is not 18 19 the intent of the legislature that the board impose the maximum penalty without sufficient justification. 20 Nothing in this bill should be construed as requiring the department or the board to change or increase current state trust land trespass enforcement efforts. 21

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

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NEW SECTION. Section 1. Liability for unauthorized installation or construction of facility or 25 26 structure on state trust land -- penalty. (1) A person, other than the lessee of the affected state trust land, 27 may not, after September 30, 1997:

28 (a) install or construct a road, pipeline, ditch, utility line, fence, building, or other facility or 29 structure on state trust land without obtaining an easement, lease, license, or other written permission of 30 the department; or



# HB 551 SECOND READING

LC1370.01

1 (b) disturb state trust land in anticipation of the installation or construction of the facility or 2 structure.

3 (2) A person who violates subsection (1) is liable to the department for a civil penalty in an amount
determined by the board. The penalty may be an amount up to three times the full market value of the land
disturbed or affected or \$500, whichever is greater.

6 (3) In addition to the penalty provided for in subsection (1), a person who installs or constructs a 7 facility or structure on state trust land without permission is liable for any permanent damage to the state 8 trust land and may be required to remove the facility or structure and to reclaim the disturbed land to the 9 satisfaction of the department or to pay the department's cost of removal and reclamation.

(4) If the department allows the facility or structure to remain on state trust land, the department
 shall also require payment of full market value of any easement, lease, or license required for the facility
 or structure.

13 (5) The penalties provided in this section do not apply to the lessee of the affected state trust land.
14 The remedies and penalties provided in a state trust easement, lease, or license and the statutes and
15 regulations under which the easement, lease, or license was entered are the exclusive remedies and
16 penalties that may be applied to a lessee.

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18 <u>NEW SECTION.</u> Section 2. Codification instruction. [Section 1] is intended to be codified as an 19 integral part of Title 77, chapter 1, part 1, and the provisions of Title 77, chapter 1, part 1, apply to 20 [section 1].

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HB0551.02

(b) disturb state trust land in anticipation of the installation or construction of the facility or 1 2 structure.

(2) A person who violates subsection (1) is liable to the department for a civil penalty in an amount 3 determined by the board. The penalty may be an amount up to three times the full market value of the land 4 disturbed or affected or \$500, whichever is greater. 5

(3) In addition to the penalty provided for in subsection (1), a person who installs or constructs a 6 7 facility or structure on state trust land without permission is liable for any permanent damage to the state trust land and may be required to remove the facility or structure and to reclaim the disturbed land to the 8 satisfaction of the department or to pay the department's cost of removal and reclamation. 9

(4) If the department allows the facility or structure to remain on state trust land, the department 10 shall also require payment of full market value of any easement, lease, or license required for the facility 11 12 or structure.

13 (5) The penalties provided in this section do not apply to the lessee of the affected state trust land. 14 The remedies and penalties provided in a state trust easement, lease, or license and the statutes and regulations under which the easement, lease, or license was entered are the exclusive remedies and 15 16 penalties that may be applied to a lessee.

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(6) THE PENALTIES PROVIDED IN THIS SECTION DO NOT APPLY TO PERSONS WHO HAVE 18 INADVERTENTLY INSTALLED OR CONSTRUCTED PIPELINES OR UTILITY LINES WITHIN 20 FEET OF THE 19 EASEMENT BOUNDARIES GRANTED BY THE STATE.

20 (7) THE PENALTIES PROVIDED IN THIS SECTION DO NOT APPLY TO FACILITIES OR STRUCTURES 21 INSTALLED ON LANDS ACQUIRED BY THE STATE THROUGH EXCHANGE OR PURCHASE THAT WERE 22 AUTHORIZED WITH THE PERMISSION OF THE PREVIOUS LANDOWNER OR THROUGH AUTHORITY 23 GRANTED BY AN APPROPRIATE GOVERNMENT AGENCY.

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HB0551.02

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HB 551 REFERENCE BILL

HB0551.02

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