

Complete Shaded Areas

Form last update 2/16/2016

Proposed 2017 Session Legislation

Agency Name & No:	Dept. of Natural Resources & Conservation/57060		
Priority Number:	003	Filename:	35-003.xlsx
Short Title:	77-5-201 (3)(b)(i)		
Agency Contact Person/Phone:	Sonya Germann/406-542-4306		

1. Purpose:

It is the intent of the Department to increase the amount of timber that can be harvested in cases where the Department is required to act immediately to take advantage of access granted by permission of an adjoining landowner and there is only one potential buyer with legal access. The Department proposes to increase the allowable limit from 1 million board feet to 2 million board feet to better take advantage of the limited opportunity to treat these lands. Providing opportunity to harvest more timber under these circumstances will allow the Department to generate more near-term revenue from these sections, to better address forest health concerns by treating more acreage in stands facing insect and disease issues, and to more broadly use silvicultural treatments that assure the long-term revenue generating capacity of these lands.

2. Background:

Creating conditions to expedite timber sales under a limited access situation was passed during the [1995] legislative session under [HB 274]. This created the opportunity for the Department to harvest timber under a no-bid situation in order to capture revenue that would not otherwise be realized and to treat stands that would otherwise go untreated. The scattered nature of state trust lands creates access challenges for the Department. In all cases, the Department seeks permanent reciprocal access when attempting to treat its lands where access is controlled by an adjoining landowner. However, in some cases, landowners may not wish to grant permanent access to the Department. They may either elect to consider temporary use to the Department or temporary use to a potential purchaser. In cases where the landowner is only willing to grant access to one potential purchaser, 77-5-201(3)(b)(i) gives the Department the mechanism to take advantage of these unique and limited situations to treat stands and generate revenue that would otherwise be unrealized from these sections of land. Over the years, the Department has foregone the ability to apply effective treatment in these sections due to the 1 million board foot limitation. Increasing the amount to 2 million board feet would allow the Department to provide for greater near-term and long-term revenue from these sections as discussed in the purpose.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

Revenue generated from limited access timber sales is distributed similarly to revenue from bidded state trust land timber sales. The impact of this legislation would be to increase the amount of revenue generated from these particular sections of land where the adjoining landowner is only willing to grant access to one purchaser. The Department would expect to double the amount of revenue generated under these scenarios.

4. Summary Checklist [Check & complete all that apply]--

<input checked="" type="checkbox"/> Housekeeping Only	<input type="checkbox"/> Federal Requirement	<input type="checkbox"/> Audit Recommendation (Audit No. <input type="text"/>)	<input type="checkbox"/> Major Legislation
<input type="checkbox"/> Anticipated to be Controversial Legislation	<input type="checkbox"/> Bill Draft has been included in Legislation Submittal (if available)		
<input type="checkbox"/> Supports Submitted EPP Item Number <input type="text"/>	<input type="checkbox"/> Local Government Fiscal Impact		
<input type="checkbox"/> Increases FTE, or <input type="checkbox"/> Decreases FTE by	List FTE amount and program <input type="text"/>		
<input type="checkbox"/> Increases Existing Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Decreases Existing Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Establishes New Revenue	<input type="radio"/> Tax	<input type="radio"/> Fee	<input type="radio"/> Penalty [amount in #3]
<input type="checkbox"/> Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):	<input type="text"/>		
<input type="checkbox"/> Legislation would affect other state agencies (list):	<input type="text"/>		
<input type="checkbox"/> Special Interest Groups Affected (list):	<input type="text"/>		
<input type="checkbox"/> Other:	<input type="text"/>		

Proposed 2017 Session Legislation

Agency Name & No: Dept. of Natural Resources & Conservation/57060

Priority Number: 005 Filename: 23-005.xlsx

Short Title: Conservation District Housekeeping

Agency Contact Person/Phone: Laurie Zeller/444-6669

1. Purpose:

Remove 76-15-323. Copies of notice transmitted to county commissioners. Within 30 days after receipt of such notice, the county clerk and recorder shall transmit a copy of the same to the board of county commissioners, who shall determine whether the district has been lawfully organized. History: En. Sec. 2, Ch. 253, L. 1963; amd. Sec. 1, Ch. 152, L. 1965; R.C.M. 1947, 76-202. This statute has to do with the organization of conservation districts. The clerk and recorder does not determine whether a district has been lawfully organized. Remove 76-15-517. Computation of rate of assessment. The board of county commissioners shall determine the rate of assessment by deducting 15% for anticipated delinquencies from the total assessed value of the taxable real property in the district and then dividing the sum required to be raised by the remainder of the total assessed value. If a fraction of a cent occurs in a valuation of \$100, it shall be taken as a full cent. History: En. Sec. 10, Ch. 253, L. 1963; amd. Sec. 5, Ch. 152, L. 1965; amd. Sec. 9, Ch. 291, L. 1969; amd. Sec. 17, Ch. 431, L. 1971; R.C.M. 1947, 76-210; amd. Sec. 8, Ch. 473, L. 1983. This statute has been superseded by 15-10-420.

2. Background:

To help Conservation Districts be more efficient in their operations.

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

There is no fiscal impact.

4. Summary Checklist [Check & complete all that apply]--

Summary Checklist with checkboxes and input fields for: Housekeeping Only, Federal Requirement, Audit Recommendation, Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal, Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases/Decreases FTE, Revenue types (Tax, Fee, Penalty), Previous Legislative Sessions, Other state agencies affected, Special Interest Groups Affected, and Other.

Proposed 2017 Session Legislation

Agency Name & No: Dept. of Natural Resources & Conservation/57060

Priority Number: 006 **Filename:** 23-006.xlsx

Short Title: Conservation District Supervisor Oaths

Agency Contact Person/Phone: Laurie Zeller/444-6669

1. Purpose:

Change conservation district law to clarify conservation district supervisor terms and when oath of office must be signed. Here is why we are requesting the change. Inadvertently due to the revision of the state's election laws, it requires the conservation district supervisors to sign an oath of office 10 months prior to taking office if they are elected by acclimation. If a starting date is left off the oath of office, the term would expire long before the general election when supervisors are elected.

2. Background:

To help Conservation Districts clarify district supervisor terms.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

There is no fiscal impact.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only Federal Requirement Audit Recommendation (Audit No.) Major Legislation
- Anticipated to be Controversial Legislation Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number Local Government Fiscal Impact
- Increases FTE, or Decreases FTE by List FTE amount and program
- Increases Existing Revenue Tax Fee Penalty [amount in #3]
- Decreases Existing Revenue Tax Fee Penalty [amount in #3]
- Establishes New Revenue Tax Fee Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):
- Legislation would affect other state agencies (list):
- Special Interest Groups Affected (list):
- Other

Proposed 2017 Session Legislation

Agency Name & No: Dept. of Natural Resources & Conservation/57060

Priority Number: 009 **Filename:** 35-009.xlsx

Short Title: Amendments to Rental Provisions for Commercial Leasing

Agency Contact Person/Phone: Shawn Thomas/444-4978

1. Purpose:

The purpose is twofold: to modify commercial leasing rental provisions to clarify valuation processes, and to allow for extended option to lease periods. Proposed changes will clarify land valuation processes for use within the existing minimum lease fee calculation method, including appropriate consideration of market factors when setting commercial lease fees. A limited valuation method prevents excessive spending on appraisals when the net revenues for the lease do not support the cost, and additionally streamlines the leasing and lease renewal process. Additionally, proposed changes will allow for the board to issue options to lease for longer than two years.

2. Background:

The Montana Legislative Audit Division conducted an audit of the Commercial Leasing Program in 2013. According to their October 2013 report, the department was utilizing alternative valuation methods, authorized under administrative rules adopted by the Land Board, to capture full market value instead of the statutory method that establishes rent as a percentage of the appraised value of the land. Recommendation #2(B) of the audit report was that the Department "Seek the statutory authority to establish annual rentals for commercial leases based on alternative valuation methodologies". The current two year limit on an option to lease does not always provide adequate time to complete necessary work to comply with Montana Environmental Policy Act, specifically for leases proposed for renewable energy development.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*

These changes may reduce operating expense for contracting appraisals. They may also result in increased revenue to trust beneficiaries by assuring that future leases produce larger return to the trust by allowing fee analyses through alternative methods that more accurately reflect the market.

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only Federal Requirement Audit Recommendation (Audit No. 13-P03) Major Legislation
- Anticipated to be Controversial Legislation Bill Draft has been included in Legislation Submittal (if available)
- Supports Submitted EPP Item Number Local Government Fiscal Impact
- Increases FTE, or Decreases FTE by List FTE amount and program
- Increases Existing Revenue Tax Fee Penalty [amount in #3]
- Decreases Existing Revenue Tax Fee Penalty [amount in #3]
- Establishes New Revenue Tax Fee Penalty [amount in #3]
- Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):
- Legislation would affect other state agencies (list):
- Special Interest Groups Affected (list):
- Other: