



"From the Back of a Horse the World Looks Wider" ~ Joyce Gibson Roach

EXHIBIT 12

DATE 2-17-11

HB 494

**Date:** February 17, 2011

**To:** Montana State Legislature, House Local Government Committee

**Subject:** HB 494: A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PROVISIONS GOVERNING EXEMPTION FROM SUBDIVISION REVIEW FOR THE SALE, RENT, LEASE, OR OTHER CONVEYANCES OF BUILDINGS, STRUCTURES, OR OTHER IMPROVEMENTS; AND AMENDING SECTION 76-3-204, MCA."

**Testimony:** by SuzAnne M. Miller, Co-owner of Dunrovin Ranch

As the owner of a small guest ranch located on the Bitterroot River about 10 miles south of Missoula, I strongly urge the Montana State Legislature to pass HB 494 for the following reasons:

1. **Common Sense** – Requiring subdivision review for any alteration of a parcel of land that would allow a portion of it to be leased or rented defies common sense on several levels.
  - Merely building a structure such as a fence, a barn, or a second residence implies neither the intent to rent or lease nor to subdivide the parcel of property.
  - Renting or leasing a portion of a single piece of property does not constitute a transfer of property and hence should not be considered a "subdivision." This is completely inconsistent with other Montana laws and plain common sense. If renting constitutes a transfer of property, how would any landlord ever be able to evict a tenant for nonpayment of rent?
  - Currently the law considers the number structures on a single piece of property rather than the number of people utilizing the property. A single structure housing a 100 people does not invoke the subdivision for lease or rent provision, while two separate structures housing 2 people does. Under the laws its "roofs not residents" that count. This makes no sense in terms of road use, traffic, or other issues of public concern.
2. **Multiple Structures Critical to Guest Ranch Industry** – Guest cabins are the quintessential guest ranch accommodations and are greatly preferred by guest ranch clients. It is nearly impossible to create a guest ranch that relies on a single structure for accommodations, meeting rooms, dining room, etc. Furthermore, guest ranches should not have to face country subdivision review every time they need to add or change structures.
3. **Important to Tourism Industry** – The tourism industry is critical to Montana's economy. Tourism brings not only direct expenditures and supports thousands of permanent and seasonal jobs, but it serves as Montana's front porch for attracting businesses which have nothing whatsoever to do with tourism. Business people from across the country come to Montana as a tourist and end up moving their businesses and companies here to take advantage of our unsurpassed quality of life. The subdivision for lease or rent provisions of Title 76 in its current form represent a very big threat to Montana's tourism industry.
4. **Small Business are the Backbone of Montana's Economy** - More than most states, Montana relies on small businesses for the majority of its jobs and economic activity. Title 76 is particularly detrimental to small businesses that operate on thin profit margins. Imposing costly, and at time impossible, subdivision requirements on small business can make the difference closing and reaming financially viable. Small businesses such as storage units, dog kennels, and horse barns are all subject to meaningless subdivision review under the current law.