

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

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6 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT OF TRANSPORTATION TO  
7 TRANSFER AN INTEREST IN EXCESS REAL PROPERTY AT BELOW FAIR MARKET VALUE BUT NOT  
8 BELOW THE PRICE THE DEPARTMENT PAID AS LONG AS THE PROPERTY TRANSFERRED REMAINS  
9 IN PUBLIC OWNERSHIP; AND AMENDING SECTION 60-4-202, MCA."

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

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13 **Section 1.** Section 60-4-202, MCA, is amended to read:

14 **"60-4-202. Sale of interest in real property.** (1) The department may sell an interest in real property  
15 if the department determines that the property is not necessary to the laying out, altering, construction,  
16 improvement, or maintenance of a highway. Except as provided in 60-4-213 through 60-4-218 and subsection  
17 (2) of this section, if the interest is reasonably of a value in excess of \$10,000, sale must be made to the highest  
18 bidder at public auction. The sale of an interest at auction must be conducted as provided in 77-2-321.

19 (2) (a) The department may sell an interest in real property without a public auction directly to:

20 (i) a federal, state, tribal, or local government;

21 (ii) an agency of government;

22 (iii) a school district; or

23 (iv) a unit of the Montana university system.

24 (b) (i) The department shall obtain fair market value for the property: sold to the entities provided for in  
25 subsection (2)(a) unless:

26 (A) the acquiring entity is another state agency;

27 (B) the director of the department determines that it is in the state's best interest to sell the property for  
28 less than fair market value; and

29 (C) the acquiring state agency agrees that the property must remain in public ownership.

30 (ii) An interest in real property pursuant to this subsection (2) may not be sold for less than the original

1 purchase price.

2 (3) Except as provided in 60-4-213 through 60-4-218, before the department sells an interest in real  
3 property as provided in subsection (2), the department shall notify all landowners whose property is adjacent to  
4 the land proposed for sale. If any of the landowners are interested in buying the land proposed for sale, the  
5 landowners shall notify the department of their interest by registered letter within 30 days of the receipt of the  
6 notice of sale from the department. Upon receipt of a notice of interest, the department shall offer the land for sale  
7 as provided in 60-4-203 and this section."

8 - END -