***Complete Shaded Areas*** Form last update 2/16/2016

## Proposed 2017 Session Legislation

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| **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]--**

- [x] 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 Numbe
- [ ] 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