



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

SPONSOR'S REBUTTAL TO FISCAL NOTE

House Bill Number: HB0131

Date Prepared: 1/17/2021

Short Title: Generally revise state cabin leasing laws

Sponsor: Bedey, David

Generally, why do you disagree with the fiscal note?

The fiscal note is based on an unrealistic assumption on the number of sales to occur and raises a spurious technical issue.

Specifically, what in the fiscal note do you feel is flawed?

This bill is modeled after a program established by the 2013 Legislature that provides for the sale of cabin sites on state trust lands. Since that program's inception only 20% of its cabin sites have been sold. Based upon this data, there is no reason to believe that all of the cabin sites affected by HB 131 would sell in the first year.

Technical Note 1 suggests that the procurement process in HB 131 is not legal. But this would seem to be unlikely since the process being proposed is the same one as has been successfully used for the sale of cabin sites on trust lands.

What is your estimate of the fiscal impact?

Assume one sale per year (which is still greater than actual rate for trust land sites). The following estimate is based on average values: \$35,400 land value per site; \$6,290 sale preparation expense per cabin site; \$1,817 lease per site.

	2022	2023	2024	2025
Expenditures:				
Personnel Services	\$0	\$0	\$0	\$0
Operating Expenses	\$6,290	\$6,290	\$6,290	\$6,290
Funding of Expenditure:				
General Fund	\$0	\$0	\$0	\$0
State Special	\$6,290	\$6,290	\$6,290	\$6,290
Revenues:				
General Fund	\$0	\$0	\$0	\$0
State Special	\$33,583	\$31,766	\$29,949	\$28,132
Net Impact to Fund Balance				
General Fund	\$0	\$0	\$0	\$0
State Special	\$27,293	\$25,476	\$23,659	\$22,842

Sponsor Signature: _____