_____ BILL NO. _____

INTRODUCED BY _____

BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT OF TRANSPORTATION TO SELL REAL PROPERTY VALUED AT $35,000 OR LESS OUTSIDE THE PUBLIC AUCTION PROCESS; AND AMENDING SECTIONS 60-4-202 AND 60-4-203, MCA."

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

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

"**60-4-202. Sale of interest in real property.** (1) The department may sell unnecessary highway property. Except as provided in 60-4-213 through 60-4-218 and subsection (2) of this section, if the interest is reasonably of a value in excess of ~~$10,000~~ $35,000, sale must be made to the highest bidder at public auction. The sale of an interest at auction must be conducted as provided in 60-4-203.

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

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

(ii) an agency of government;

(iii) a school district; or

(iv) a unit of the Montana university system.

(b) The department shall obtain fair market value for the property.

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

Section 2. Section 60-4-203, MCA, is amended to read:

"**60-4-203. Conduct of sale.** (1) To sell unnecessary highway property pursuant to 60-4-202, the department shall publish notice of the sale once a week for 4 successive weeks in a newspaper published in the county in which the interest is located and on the department's website. The sale may be held in person in the county where the property is located or through an online auction.

(2) The notice of sale must contain:

(a) the day, date, and time of the beginning of the sale;

(b) a list of all the tracts to be offered for sale with the legal description, which includes the township and range, section number, and subdivision, or reference to the block and lot if surveyed;

(c) the number of acres in unplatted lands;

(d) the appraised value per acre and the appraised value of each lot;

(e) a quarter section listing of nonirrigable farm lands, with grazing lands listed in larger tracts not exceeding one section;

(f) a consecutive series of sales numbers for advertised tracts, if appropriate; and

(g) the terms and conditions of the sale and any additional information the department considers useful.

(3) Before the sale of an interest having a value in excess of ~~$10,000~~ $35,000, the department must have the interest appraised at a price representing a fair market value. The appraised value must be stated in the published notice.

(4) A sale of an interest may not be made unless it has been appraised within 6 months prior to the date of the sale. A sale may not be made for less than 90% of the appraised value.

(5) Title to an interest may not pass from the state until the purchaser has paid the full amount of the purchase price into the state treasury to the credit of the department."

- END -