HOUSE BILL NO. 931

INTRODUCED BY C. SCHOMER, L. BREWSTER, M. VINTON

A BILL FOR AN ACT ENTITLED: “AN ACT CLARIFYING THAT A COMMERCIAL PURPOSE FOR THE COMMERCIAL LEASING OF STATE TRUST LAND MAY INCLUDE DEVELOPMENT OF SINGLE-FAMILY OR MULTIFAMILY RESIDENTIAL DEVELOPMENT UNDER A MASTER LEASE FOR THE PURPOSES OF ATTAINABLE WORKFORCE HOUSING; REVISING DEFINITIONS; AND AMENDING SECTION 77-1-902, MCA.”

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

Section 1. Section 77-1-902, MCA, is amended to read:

"**77-1-902. Definitions.** As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Attainable workforce housing" has the same meaning as provided in 90-6-143.

(2) "Cancellation" means the cessation of a lessee's possessory rights and privileges under a lease due to the lessee's breach of some term of the lease, applicable statutes, or applicable administrative rules.

~~(2)~~(3) "Commercial lease" means a contract to use state trust land for a commercial purpose.

~~(3)~~(4) (a) "Commercial purpose" means an industrial enterprise, retail sales outlet, business and professional office building, warehouse, motel, hotel, hospitality enterprise, commercial or concentrated recreational use, single-family or multifamily residential development authorized under a lease with a master lessee, including a lease executed with a nonprofit corporation for the purposes of developing attainable workforce housing, and other similar business.

(b) The term does not include the following uses:

(i) agriculture;

(ii) grazing;

(iii) exploration or development of oil and gas, minerals, and resources from geothermal, wind, or solar;

(iv) single-family residences, home sites, and cabin sites licensed or leased pursuant to 77-1-208; and

(v) utility rights-of-way.

~~(4)~~(5) "Land value" is the monetary value of the land determined by an appraisal by a certified general appraiser or a department staff appraiser or by a limited valuation.

~~(5)~~(6) "Limited valuation" means estimating the land value of commercial lease land by analyzing comparable land valuations conducted within 2 years of the lease commencement date as provided by real estate appraisers, local tax assessors, local realtors, an evaluation of local market rents, or a combination of those methods.

~~(6)~~(7) "Termination" means the automatic completion or ending of the term of a contract according to its provisions. Upon termination, the lessee ceases to have any possessory rights or privileges under a lease."

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