

# CABIN SITES

## LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; [Chapter 309, Laws of 2017](#)). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

**Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.**

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## Background Materials and Research

**Topic Summary:** The state owns about 5.2 million surface acres, most of which dates to the Enabling Act of 1889 granting sections 16 and 36 in every township within the state to Montana for the benefit of education. Subsequent acts granted land for educational and state institutions.

As part of its duty to administer those lands, the Department of Natural Resources and Conservation manages more than 700 residential lots around the state. Each lot is less than five acres, must be only used for housing, and is often located in highly desirable second-home markets in the mountains and near rivers and lakes. Sites are leased to a person who either buys the existing dwelling or builds a home on the site. In recent years, some leaseholders became increasingly upset at rising rental rates, which are based on similar property evaluations. In 2013, the Legislature passed a bill directing the Land Board to start selling cabin sites based in part on the “dysfunctional” implementation of leasing laws and “continuous and unproductive litigation.”

As of June 30, 2018, the agency sold 64 sites for \$8.2 million.

In 2011, Senate Bill 409 established a competitive bidding process for vacant cabin site lots that would be averaged by neighborhood for existing leases up for renewal. A court challenge to the law resulted in a settlement that declared SB 409 void. However, the statutes remain in the Montana Code Annotated, specifically 77-1-235, MCA, and 77-1-236, MCA, and related amendments.

## Legislative Services Division Materials:

DNRC Real Estate Management Bureau [program evaluation](#), 2016.

[Legal Analysis](#) Regarding Full Market Valuation of State Land Cabin Sites, 2010

Other Materials:

[Cabin/Home Site Sales Report - July 2018](#), DNRC

[Estimated Timeline for 2018-2019 Cabin/Home Site Sales](#), DNRC

Cabin site [Frequently Asked Questions](#), DNRC

Cabin Site Leasing on School Trust Lands: [A look at the proposed formula](#), Legislative Fiscal Division, 2009

## Introduced Legislation

\*Chapter number assigned means bill was passed and approved.

### 2017

[SB 224](#) Chapter Number Assigned. AN ACT EXEMPTING REPLACEMENT WATER AND SEWER SYSTEMS FROM SUBDIVISION REVIEW FOR THE SALE OF A STATE-OWNED CABIN OR HOME SITE; AMENDING SECTION 77-2-318, MCA; PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

### 2015

[SB 34](#)

Facilitate cabin and home-site sales. AN ACT REVISING LAWS RELATED TO FUNDING AND ACCESS FOR THE SALE OF STATE CABIN OR HOME SITES; ALLOWING ADVANCE PAYMENT OF SURVEY COSTS; PROVIDING FOR ACCESS EASEMENTS TO CABIN OR HOME SITES; AMENDING SECTIONS 77-2-318, 77-2-325, AND 77-2-363, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

### 2013

[HB 535 \(H\) Vetoed by Governor](#). AN ACT GENERALLY REVISING LAWS RELATED TO STATE LAND CABIN AND HOME SITES; REQUIRING THAT VALUATION OF IMPROVEMENTS MUST BE DETERMINED THROUGH AN INDEPENDENT THIRD-PARTY APPRAISAL; CLARIFYING THAT THE PROCEEDS FROM ANY SALE OF IMPROVEMENTS MUST GO TO THE OWNER OF RECORD OF THE IMPROVEMENTS; CLARIFYING THAT OWNERSHIP OF THE IMPROVEMENTS ON STATE LAND PROPERTY SOLD OR LEASED MUST REMAIN WITH THE OWNER OF RECORD UNTIL THE IMPROVEMENTS ARE SOLD OR UNTIL THE PROPERTY AND IMPROVEMENTS ARE SOLD TO ANOTHER PERSON; DEFINING "IMPROVEMENTS"; AMENDING SECTIONS 77-1-208 AND 77-6-303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[SB 369](#) Chapter Number Assigned. AN ACT GENERALLY REVISING LAWS RELATED TO STATE LAND CABIN AND HOME SITES; REQUIRING THE BOARD OF LAND COMMISSIONERS, CONSISTENT WITH THE BOARD'S CONSTITUTIONAL FIDUCIARY DUTY OF ATTAINING FULL MARKET VALUE, TO MAKE AVAILABLE FOR SALE AT THE REQUEST OF THE LESSEE OR IMPROVEMENT OWNER ALL LEASED OR VACANT STATE LAND, CABIN OR HOME SITES, AND CABIN SITE IMPROVEMENTS; PROVIDING A PROCESS FOR SELLING ALL LEASED OR VACANT STATE LAND AND CABIN SITE IMPROVEMENTS FOR CABIN AND HOME SITES; PROVIDING FOR A VALUATION PROCESS PRIOR TO SALE; EXEMPTING THE SALE OF CABIN OR HOME SITE LOTS FROM THE PROVISIONS OF TITLE 75, CHAPTER 1, PARTS 1 THROUGH 3; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 77-2-303, 77-2-311, 77-2-318,

77-2-363, AND 77-2-366, MCA; REPEALING SECTION 77-2-320, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

**2011**

[SB 409](#) Chapter Number Assigned. AN ACT GENERALLY REVISING STATE LAND CABIN SITE LAWS; AUTHORIZING AN ALTERNATIVE RENTAL MARKET VALUATION COMPETITIVE BID PROCESS; AUTHORIZING THE SALE OF STATE-LEASED CABIN OR HOME SITES OR CITY OR TOWN LOTS; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 77-1-208, AND 77-2-318, MCA; REPEALING SECTION 77-2-319, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

**2009 - None**

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