

Montana's State Land Board: Shouldn't Major Resource Development Be the Priority?

Recently Fort Benton Superintendent Scott Chauvet asked some interesting questions in regards to recent State Land Board actions. MREA encourages the Board to focus their limited time and resources on expanding the development of major resource development on state lands across our state!

Supt. Chauvet Writes....

I know it is a busy time of the year, with haying and harvest in full stride and the beginning of school getting closer. It sounds like there are a lot of nice yields coming out of the winter wheat fields. Hopefully the markets will remain strong, so the final product pays off for everybody.

Our county is so dependent on agriculture and agriculture is so dependent on the weather. For the most part the weather this summer has been very nice; hopefully that positive impact will carry over to the products produced on the local farms and ranches.

There is no doubt that Montana education needs agriculture dollars to operate. Because of my farm and ranch background, I clearly understand the relationship between the two. What really bothers me is when government politics tries to put stress on agriculture so that in turn agriculture people will put stress on the education community.

This legislative session, Montana had a great opportunity to tie education funding to natural resource development and lessen the burden for the property tax payer. While we made some progress, the politics involved prevented the state from completely transforming education funding. For many educational leaders in rural education, we supported the development of natural resources to help the state fund education. We wanted to decrease the stress put on the property tax people. It made sense.

When the Senator Jones's funding bill was torn apart and went down, so did education's hopes in my opinion. Several members of the State Land Board, which consists of Governor Brian Schweitzer, Attorney General Steve Bullock, Auditor Monica Lindeen, Secretary of State Linda McCulloch, and Superintendent of Public Instruction Denise Juneau, were instrumental in slowing down and defeating attempts at shifting education funding from agriculture property tax to natural resource development.

Now this same Montana State Land Board wants to increase the grazing lease rates with a proposal to more than double the rate. At this time, the state charges a minimum of \$6.12 per animal unit; the new proposal would take that rate up to \$12.88 per animal unit.

Currently the state holds 8,500 grazing leases which bring in around \$6.5 million a year for K-12 education. An independent consulting firm reports the state is charging on average 33% of what a private landowner would charge. The firm also stated that public land typically leases for 70% of private land leases, which is much higher than what Montana is charging.

I believe it is not fair to compare state land rates with private rates because there are different obligations for lessees. Much of this property is landlocked, the lessee is responsible for fence and water development, rodent control (prairie dogs) is another responsibility of the lessee, just to name a few. I have no quarrels with requesting good stewardship; we need to care for our public lands. However, if we expect the lessee to foot the bill for all improvements, the state needs to be practical in the rates they charge.

I felt Jay Bodner, Natural Resource Director for the Montana Stockgrowers, stated it best "During the legislative session earlier in the year, both the governor and the legislative leadership made it clear they didn't want to raise taxes or fees on anyone in these uncertain economic times. This proposal doesn't fit with that position".

There is a big difference between rate adjustment and doubling the rate. The people that this will impact are the primary tax payers that have supported schools for years. Now, in very uncertain economic times the state wants to increase the pressure on these already pressed tax payers. I don't oppose an adjustment as long as it is reasonable, but I do oppose doubling the rate.

We don't need a dividing line drawn between agriculture people and education. We need to respect and appreciate one another. I would encourage you to voice your opinion, no matter where you stand on this issue.

Concerned persons may submit their data, views, or arguments, either orally or in writing, at the hearings. Written data, views, or arguments may also be submitted to Kevin Chappell, Department of Natural Resources and Conservation, 1625 Eleventh Avenue, Helena, MT 59620; telephone (406) 444-3847; fax (406) 444-2684; e-mail grazingfee@mt.gov, and must be received no later than 5:00 p.m. on September 30, 2011