

HOUSE BILL NO. HB0035

Severance tax and FMR distribution.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to severance tax and federal mineral
2 royalty distribution; amending the distribution formula for
3 severance tax and federal mineral royalty distribution as
4 specified; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 9-4-601(a)(ii) and (v)(intro) and
9 39-14-801(d)(i), (v)(intro), (vi) and (viii) are amended to
10 read:

11

12 **9-4-601. Distribution and use; funds, accounts,**
13 **cities and towns benefited; exception for bonus payments.**

14

15 (a) All monies received by the state of Wyoming from
16 the secretary of the treasury of the United States under
17 the provisions of the act of congress of February 25, 1920

1 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, or
2 from lessees or authorized mine operators and all monies
3 received by the state from its sale of production from
4 federal mineral leases subject to the act of congress of
5 February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181,
6 191) as amended, except as provided by subsection (b) of
7 this section, shall be deposited in the trust and agency
8 fund and the first two hundred million dollars
9 (\$200,000,000.00) of revenues received in any fiscal year
10 shall be distributed by the state treasurer as provided in
11 this subsection. One percent (1%) of these revenues shall
12 be credited to the general fund as an administrative fee,
13 and the remainder shall be distributed as follows:

14

15 (ii) ~~Forty-four and eight-tenths percent (44.8%)~~
16 Thirty-four and eight-tenths percent (34.8%) to the public
17 school foundation program account subject to allocations
18 under W.S. 9-4-605;

19

20 (v) ~~Nine and three-eighths percent (9.375%)~~
21 Nineteen and three-eighths percent (19.375%) to
22 incorporated cities and towns to be used for planning,
23 construction or maintenance of public facilities or
24 providing public services. Any city or town may expend

1 these revenues or pledge future revenues for payment of
2 revenue bonds issued to provide public facilities. However
3 no city or town shall pledge future revenues to the federal
4 government under 43 U.S.C. § 1747 unless the city or town
5 obtains a written determination from the governor, which he
6 may make in connection with his consultation with the
7 secretary of the interior under 43 U.S.C. § 1747 or
8 otherwise, that the pledge will not affect the distribution
9 of mineral royalties provided in this section. The
10 distribution provided under this paragraph to any city or
11 town shall be reduced by an amount equal to the amount of
12 federal mineral royalties withheld from the state by the
13 federal government to repay any loan to the city or town
14 under 43 U.S.C. § 1747. Pledges of this income for revenue
15 bonds shall not exceed ten (10) years. Each city and town
16 shall receive:

17

18 **39-14-801. Severance tax distributions; distribution**
19 **account created; formula.**

20

21 (d) Deposits into the account created by subsection
22 (a) of this section shall be distributed as follows,
23 subject to subsections (b) and (c) of this section:

24

1 (i) To the general fund, ~~sixty-two and twenty-~~
2 ~~six hundredths percent (62.26%)~~ fifty-two and twenty-six
3 hundredths percent (52.26%);

4
5 (v) To counties, ~~seventy-eight hundredths~~
6 ~~percent (0.78%)~~ three and twenty-eight hundredths percent
7 (3.28%), subject to the following formula:

8
9 (vi) To counties, ~~three and one-tenth percent~~
10 ~~(3.1%)~~ five and six-tenths percent (5.6%), each county to
11 receive an amount in the proportion which the population of
12 the county bears to total state population, population to
13 be determined by resort to the latest federal census as
14 periodically updated by the bureau of the census;

15
16 (viii) To cities and towns, ~~nine and twenty-five~~
17 ~~hundredths percent (9.25%)~~ fourteen and twenty-five
18 hundredths percent (14.25%), each city or town to receive
19 an amount in the proportion which the population of the
20 city or town bears to the population of all cities and
21 towns in Wyoming, population to be determined by resort to
22 the latest federal census as periodically updated by the
23 bureau of the census;

24

1 **Section 2.** This act is effective July 1, 2004.

2

3

(END)