ORIGINAL SENATE FILE NO. <u>0041</u>

ENGROSSED

ENROLLED ACT NO. 112, SENATE

FIFTY-EIGHTH LEGISLATURE OF THE STATE OF WYOMING 2005 GENERAL SESSION

AN ACT relating to natural resources; establishing a Wyoming wildlife and natural resource trust account and income account; specifying uses of the account; establishing procedures for expenditures from the income account; providing appropriations; providing for future recommended appropriations; establishing a board and providing for duties and other administration of the accounts; establishing a select natural resource funding committee; providing for construction of the act; and providing for effective dates.

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

Section 1. W.S. 9-15-101 through 9-15-107 and 28-11-401 are created to read:

9-15-101. Short title.

This act shall be known and may be cited as the "Wyoming Wildlife and Natural Resource Funding Act."

9-15-102. Definitions.

- (a) As used in this act:
- (i) "Board" means the Wyoming wildlife and natural resource trust account board created by W.S. 9-15-104;
- (ii) "Income account" means the Wyoming wildlife and natural resource trust income account created by W.S. 9-15-103(b);

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- (iii) "Large project" means a project for which the grant sought under this act equals or exceeds two hundred thousand dollars (\$200,000.00);
- (iv) "Natural resource heritage" means renewable natural resources managed under a balanced stewardship that provides for the optimization of social, economic and cultural benefits for the citizens of Wyoming;
- (v) "Select committee" means the select natural resource funding committee created by W.S. 28-11-401;
- (vi) "Small project" means a project for which the grant sought under this act is less than two hundred thousand dollars (\$200,000.00);
- (vii) "Trust account" means the Wyoming wildlife and natural resource trust account created by W.S. 9-15-103(a);
- (viii) "This act" means W.S. 9-15-101 through 9-15-107.

9-15-103. Wyoming wildlife and natural resource trust account created; income account created; expenditures; purposes.

(a) A trust account is created to be known as the Wyoming wildlife and natural resource trust account. The trust account shall consist of those funds designated to the account by law and all monies received from federal grants and other contributions, grants, gifts, transfers, bequests and donations to the trust account. The trust account is specifically empowered to accept grants, gifts, transfers, bequests and donations including those which are limited in their purposes by the grantor. Title to any

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interest in any real property conveyed to the trust account shall be held in the name of the state of Wyoming and shall be administered by the board of land commissioners. Funds deposited within the trust account are intended to be inviolate and constitute a perpetual trust account which shall be invested by the state treasurer as authorized under W.S. 9-4-711 and in a manner to obtain the highest return possible consistent with preservation of the account corpus.

- (b) The state treasurer shall credit annually to a Wyoming wildlife and natural resource trust income account the interest earned from investment of the trust account corpus. The legislature may, from time to time, appropriate funds directly to the income account for distribution in accordance with the terms of this act. Such specially appropriated funds shall be credited directly by the state treasurer to the income account and are available to the board for award of grants as otherwise permitted by this act.
- (c) Individuals and other entities may also grant, give, transfer, bequest or donate funds to the trust account or the income account. Such funds shall be credited by the state treasurer to either the trust account or the income account, as appropriate, in a manner consistent with the conditions attached to their receipt.
- (d) The board may expend funds from the income account for staffing and other administrative expenses authorized under this act. Additional disbursements from the income account shall be for the following purposes:
- (i) Improvement and maintenance of existing terrestrial habitat necessary to maintain optimum wildlife populations;

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- (ii) Preservation of open spaces by purchase or acquisition of development rights;
- (iii) Improvement and maintenance of existing aquatic habitat necessary to maintain optimum fish populations;
- (iv) Acquisition of terrestrial or aquatic habitat when existing habitat is determined critical, or is present in minimal amounts, and acquisition presents the necessary factor in attaining or preserving desired wildlife or fish population levels;
- (v) Conservation, maintenance, protection and development of wildlife resources, the environment and Wyoming's natural resource heritage;
- (vi) Participation in water enhancement projects to benefit aquatic habitat for fish populations and allow for other watershed enhancements that benefit wildlife;
- (vii) To address and mitigate impacts detrimental to wildlife habitat, the environment and the multiple use of renewable natural resources attributable to residential, mineral and industrial development;
- (viii) To mitigate conflicts and reduce potential for disease transmission between wildlife and domestic livestock.
- (e) No funds shall be made available under this act for the reintroduction of any native or nonnative game or nongame species pursuant to the Endangered Species Act of 1973, 16 U.S.C. 1531 et seq., as amended.

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- (f) The board shall not have the power of eminent domain.
- (g) No funds shall be disbursed under this act for fee simple title acquisition of real property, nor shall funds be disbursed under this act to purchase water rights to be held by the state of Wyoming.
- board shall not accept any fee interest in real property but shall make recommendations to the board of land commissioners regarding acceptance of any such interest. The board of land commissioners shall only accept a fee simple interest in real property under this act, and the Wyoming wildlife and natural resource trust account board shall only accept any other interest property if the property is willingly conveyed by the holder of the interest. The board of land commissioners may in its sole discretion reject any offer to convey a fee simple interest in real property to any account under this The Wyoming wildlife and natural resource trust account board may in its sole discretion reject any offer to convey any other interest in property to any account under this act. Any appraisal of real property conducted at the direction of the board or the board of land commissioners under this act shall reflect the fair market value of the property.
- (j) The Wyoming wildlife and natural resource trust account board may recommend that the board of land commissioners dispose of any interest in real property within the trust account when the board determines that disposal of the interest would be in the best interests of the trust account. The net proceeds from any disposition of real property pursuant to this subsection shall be deposited to the trust account.

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- (k) No water right shall be accepted under this act as a gift, transfer, bequest or donation unless the right is attached to real property accepted under the terms of this act. Any change of use of a water right acquired in this manner shall be done in full compliance with all provisions of Wyoming law.
- (m) The board shall not require public access to private land as a condition to receive any grant funds under this act.

9-15-104. Wildlife and natural resource trust account board established; terms; meetings; duties.

- (a) There is created the Wyoming wildlife and natural resource trust account board. The board shall consist of nine (9) members appointed by the governor and confirmed by the senate, who are residents of Wyoming. The members shall be appointed from each of the appointment districts set forth in W.S. 5-3-101. The board membership shall reflect a broad spectrum of experiences including wildlife, agriculture, energy, sportsmen and tourism. Not more than five (5) members shall be of the same political party.
- (b) Except for the initial board, each appointed member of the board shall serve for a term of three (3) years. Of the initial appointees, three (3) members shall be appointed for one (1) year, three (3) members shall be appointed for two (2) years and three (3) members shall be appointed for three (3) years. The governor may remove any member as provided in W.S. 9-1-202. Any vacancy occurring between sessions of the legislature may be filled by the governor as provided under W.S. 28-12-101(b). The board shall select one (1) of its members to serve as chair.

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- (c) Administration of any funds administered by the board shall be by the secretary to the board, who shall be employed by the board. The secretary shall not be housed in any agency which may be a grantee under this act. The secretary to the board shall further act as liaison for the board to other state, federal and local governmental agencies, as well as nonprofit organizations and members of the public who seek to provide input regarding grant proposals.
- (d) The board shall meet regularly. Members shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties in the manner and amounts provided by law for state employees.
- The board shall receive and evaluate applications for grants from the income account, shall large projects and may applications for forward applications for small projects above the two hundred thousand dollar (\$200,000.00) annual limit under this select committee for review subsection to the recommendation. The board may approve grants for any small project without specific legislative appropriation, but grants for small projects shall not exceed two hundred thousand dollars (\$200,000.00) in any one (1) fiscal year. The board may also forward to the select committee for review and recommendation applications for small projects that would, if approved, constitute grants in excess of the two hundred thousand dollar (\$200,000.00) annual limit under this subsection. Funds in the income account up to two hundred thousand dollars (\$200,000.00) per fiscal year are continuously appropriated for small project grants approved by the board. No funds shall be expended from the income account for large projects or small projects above the two hundred thousand dollar (\$200,000.00) annual

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limit under this subsection except upon specific legislative appropriation.

- (f) The board shall adopt rules and regulations in accordance with the Wyoming Administrative Procedure Act as necessary to carry out its duties under this act, including rules to:
- (i) Establish criteria for grants from the income account which accomplish the purposes of this act;
- (ii) Establish criteria for matching funds or other in-kind contributions from grantees;
- (iii) Evaluate, rank and prioritize grant proposals with an emphasis on those projects that are partnerships involving private and public entities;
 - (iv) Review and monitor grants to grantees;
- (v) Evaluate the effects of grant proposals on citizen access to public lands for hunting, fishing and recreation activities;
- (vi) Establish criteria for the acceptance or rejection of gifts, transfers, bequests and donations including interests in real or personal property, which criteria shall not be inconsistent with this act. Based on those criteria, the board shall make recommendations regarding the acceptance of any fee simple interest in real property to the board of land commissioners. Based on those recommendations, the board of land commissioners shall make a final determination on acceptance or rejection of any fee simple interest in real property under this act;

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- (vii) Consider the socioeconomic impacts of the grant proposal on the community affected;
 - (viii) Consider other necessary matters.
- (g) In fulfilling its duties under this act the board
 may:
- (i) Consult with other governmental agencies, persons and nonprofit organizations, as necessary;
- (ii) Accept or decline federal grants and other contributions, grants, gifts, transfers, bequests and donations of any money, personal property or interests in real property other than a fee simple interest from any source. The board shall make recommendations regarding the acceptance of any fee simple interest in real property to the board of land commissioners;
- (iii) Participate with for profit corporations to develop wildlife habitat, but may not divert financial resources to a for profit corporation.
- The board shall annually report to the governor, joint appropriations interim committee, the select committee and the joint travel, recreation, wildlife and cultural resources interim committee later than no September 1 with respect to all federal grants, state appropriations and other contributions, grants, gifts, bequests and donations received and credited to the trust account and income account during the preceding fiscal The report shall include all grants awarded by the board to nonprofit and governmental organizations progress made toward the condition of any grant made.

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(j) Until the corpus of the trust account exceeds two hundred million dollars (\$200,000,000.00) the governor may also include in his proposed state budget recommendations for additional funding of the corpus of the trust account. The governor may also include in his proposed state budget recommendations for additional funding of the income account.

9-15-105. Grant applications; eligible entities.

- (a) The board may only grant funds to nonprofit and governmental organizations. The board shall award grants to promote, preserve and enhance the wildlife, multiple use, natural resource and environmental heritage of Wyoming and its people. The board shall have the discretion to determine the amount of each grant and any conditions attached to the grant. For the purposes of this act, a grant shall not be used for the acquisition of a fee title interest in real property or any interest in water rights to be held by the state of Wyoming. Grant funds may be used for acquisition of personal property related to the project receiving the grant.
- (b) Grants by the board shall not provide a supplement to, or replacement of, the operating budget of any governmental agency or nonprofit organization except as those funds are directly related to the purposes of the grant.
- (c) No grants shall be awarded until rules and regulations adopted by the board pursuant to W.S. 9-15-104(f) have become effective.

9-15-106. Audits.

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The director of the department of audit or his designee shall audit the trust account annually. Copies of the audit shall be provided to the governor, the joint appropriations interim committee, the select committee and the joint travel, recreation, wildlife and cultural resources interim committee.

9-15-107. Application to mineral estates.

No provision of this act shall be construed to alter the law of Wyoming regarding the primacy of the mineral estate, to limit access to the mineral estate or to limit development of the mineral estate.

ARTICLE 4 SELECT NATURAL RESOURCE FUNDING COMMITTEE

28-11-401. Appointment of members; powers and duties; related duties of wildlife and natural resource trust account board.

- (a) Not later than March 15 following each general election, a select natural resource funding committee shall be appointed subject to the following:
- (i) The president of the senate shall appoint three (3) members of the senate apportioned as nearly as possible to reflect the percentage of the elected membership of the majority and minority parties of the senate, provided not more than two (2) of the members shall be from the same political party;
- (ii) The speaker of the house of representatives shall appoint three (3) members of the house apportioned as nearly as possible to reflect the percentage of the elected membership of the majority and minority parties of the

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house, provided not more than two (2) of the members shall be from the same political party.

- (b) The select committee shall:
- (i) Select from among its members a chairman and vice-chairman;
- (ii) Monitor wildlife and natural resource trust account board progress with regard to projects specified in W.S. 9-15-101 et seq. and other projects specified by law;
- (iii) Review the budgets of all projects funded from the wildlife and natural resource trust income account as created in W.S. 9-15-103(b) and sponsor legislation to fund expenditures from the account as recommended by the select committee.
- (c) The wildlife and natural resource trust account board shall:
- (i) Provide the select committee with notice of all board meetings. The select committee and the board may hold joint meetings;
- (ii) Provide information to the select committee upon request to assist the select committee to monitor progress of projects.
 - (d) The select committee may:
- (i) Secure consulting services, if necessary, to provide technical assistance in reviewing project grant applications, budgets or other issues related to projects funded under this act;

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(ii) Review the project grant applications for large projects and small projects in excess of the two hundred thousand dollar (\$200,000.00) annual limit on small project funding by the board which are forwarded by the wildlife and natural resource trust account board.

Section 2.

- (a) There is appropriated fifteen million dollars (\$15,000,000.00) from the budget reserve account to the Wyoming wildlife and natural resource trust account.
- (b) There is appropriated from the budget reserve account to the Wyoming wildlife and natural resource income account three hundred thousand dollars (\$300,000.00) to provide staffing and expenses of the wildlife and natural resource account board as authorized under this act for the fiscal period commencing July 1, 2005 and ending June 30, 2006.
- **Section 3.** Notwithstanding the date specified in W.S. 28-11-401 created by this act, initial appointments to the select natural resource funding committee shall be made not later than July 15, 2005.
- **Section 4.** The Wyoming wildlife and natural resource trust account board shall adopt final rules to implement this act not earlier than October 1, 2005 and not later than November 15, 2005.

Section 5.

(a) Appointments to the Wyoming wildlife and natural resource trust account board may be made under this act after the effective date of this section.

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(b) The Wyoming wildlife and natural resource trust account board may commence rulemaking proceedings under this act after the effective date of this section.

Section 6.

- (a) Except as provided in subsection (b) of this section, this act is effective July 1, 2005.
- (b) Section 5 of this act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

Speaker of the House	President of the Senate
Governor	
TIME APPROVED: DATE APPROVED:	
I hereby certify that this act or:	iginated in the Senate.
Chief Clerk	