

WORKING DRAFT

HOUSE BILL NO. _____

Federal mineral royalty cap-increase.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to public funds; providing for the
2 distribution of federal mineral royalties as specified;
3 providing for application of the act; and providing for an
4 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)(intro) is amended to read:

9

10 **9-4-601. Distribution and use; funds, accounts,**
11 **cities and towns benefited; exception for bonus payments.**

12

13 (a) All monies received by the state of Wyoming from
14 the secretary of the treasury of the United States under
15 the provisions of the act of congress of February 25, 1920
16 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, or
17 from lessees or authorized mine operators and all monies
18 received by the state from its sale of production from
19 federal mineral leases subject to the act of congress of
20 February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181,
21 191) as amended, except as provided by subsection (b) of
22 this section, shall be deposited into an account and the
23 first ~~two hundred million dollars (\$200,000,000.00)~~ two

1 hundred fifty million dollars (\$250,000,000.00) of revenues
2 received in any fiscal year shall be distributed by the
3 state treasurer as provided in this subsection. One percent
4 (1%) of these revenues shall be credited to the general
5 fund as an administrative fee, and the remainder shall be
6 distributed as follows:

7
8 (i) Two and one-quarter percent (2 1/4%) to the
9 highway fund to be expended by the transportation
10 commission for permanent construction or maintenance work
11 in the counties to which the royalties are attributable
12 with priority given to roads and highways impacted by
13 mineral development;

14
15 (ii) Forty-four and eight-tenths percent (44.8%)
16 to the public school foundation program account subject to
17 allocations under W.S. 9-4-605;

18
19 (iii) Except as provided by W.S. 9-4-605(a),
20 twenty-six and one-quarter percent (26 1/4%) to the highway
21 fund subject to allocations under W.S. 9-4-606 and 9-4-607;

22
23 (iv) Six and three-quarters percent (6 3/4%) to
24 a separate account for the University of Wyoming. This
25 revenue may be used only when authorized by the legislature
26 for the actual and necessary expenses of constructing,
27 equipping and furnishing new buildings, the repairing of
28 existing buildings, the purchasing of improved or
29 unimproved real estate, the payment of principal and
30 interest on securities issued to finance these projects or
31 for the payment of principal and interest on securities
32 issued to refund the securities. Any proposed expenditures
33 from this revenue shall be included in the budget of the
34 university submitted to the governor. Payments from this
35 revenue shall be made by the state treasurer only upon
36 properly itemized and receipted vouchers approved by the
37 trustees of the university and filed with the state auditor
38 as provided by law. Notwithstanding the requirement that
39 proposed expenditures from this revenue be included in the
40 university budget submitted to the governor, the trustees
41 of the university are authorized to approve expenditures
42 from this revenue for the payment of principal and interest
43 on any outstanding securities issued pursuant to this
44 paragraph in accordance with the terms of the securities;

45
46 (v) Nine and three-eighths percent (9.375%) to
47 incorporated cities and towns to be used for planning,

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

19

20 (A) Twelve thousand dollars (\$12,000.00) if
21 the population is three hundred twenty-five (325) persons
22 or less, or fifteen thousand dollars (\$15,000.00) if the
23 population is more than three hundred twenty-five (325)
24 persons, according to the latest census estimate of the
25 department of administration and information, division of
26 economic analysis or the latest updated census as provided
27 by subparagraph (B) of this paragraph; plus

28

29 (B) An amount computed by the state
30 treasurer as follows: after deducting the distribution
31 provided by subparagraph (A) of this paragraph, the
32 remainder shall be allocated for distribution to cities and
33 towns within each county in an amount proportionate to the
34 percentage obtained by dividing the average daily
35 membership, as defined in W.S. 21-13-101, of all school
36 districts within each county by the total average daily
37 membership of all school districts in the state. The
38 distribution to each city and town will then be made in the
39 proportion that the population of the city or town bears to
40 the total population of all cities and towns in the county
41 based on the latest federal census as periodically updated
42 by the bureau of the census. Any city or town may use an
43 updated census conducted by the bureau of the census at any
44 time not less than four (4) years following the decennial
45 census.

46

