

# STATE OF UTAH

## Fund Information

**FINET Name:** (FIN) Land Exchange Distribution Account

**FINET Fund:** 1335

**Legal Name:** Land Exchange Distribution Account

**Legal Authorization:** UCA 53C-3-202, -203

**Earns Interest:**  Yes  No **Earns Interest Authority:**

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### Revenue Source(s):

1) 50% of bonus payments received from the lease of coal, oil and gas, and coal bed methane on identified tracts. 2) 50% of rentals and royalties received from the lease of subject minerals on the acquired lands and the lease of acquired interest interests.

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### Description:

SB 03 (GS 2007) Appropriates for FY 08 \$3,118,700 to implement the provisions of HB 134.

HB 134 (2007 GS) Changes the distribution of the state's share of bonus payments, rentals, and royalties from the lease of minerals on acquired lands, acquired mineral interests; minerals on exchanged lands, and exchanged mineral interest. Bonus payments from the lease of coal, oil and gas, and coal bed methane will now be distributed 50% to the US and 50% to the Land Exchange Distribution Account. Rentals and royalties from the lease of subject minerals on acquired lands and acquired mineral interests will be distributed 50% to the Land Grant Management Fund and 50% to the Land Exchange Distribution Account. Per UCA 53C-2-302, revenues in the Land Exchange Distribution Account will be distributed per the percentages and timelines described to: 1) counties from which revenue is generated, 2) counties where state trust lands were relinquished, 3) the Constitutional Defense Restricted Account, 4) the Permanent Community Impact fund, 5) the State Board of Education, 6) the Utah Geological Survey, and 7) the Water Research Laboratory at Utah State University. Beg FY 2009-10 the legislature shall annually appropriate 7.5% of all deposits from the Land Exchange Distribution Account to the Permanent Community Impact Fund, per 53C-3-203. The bill also modified 9-4-303(6) to provide that amounts appropriated shall be used for grants to political subdivisions of the state to mitigate the impacts from development or use of trust lands. Also provides that the Rural Development Fund and the Rural Electronic Commerce Communications System fund are repealed on July 1, 2008, and any remaining fund monies shall be transferred to the Permanent Community Impact Fund.

HB 410 (2008 GS) Requires that interest earnings in specified restricted accounts (this fund/account is listed in bill) be deposited into the General Fund rather than the restricted account.

HB 324 (2010 GS) Appropriates \$1,000,000 for FY 11, FY 12, and FY 13 only from the Land Exchange Distribution Account to the Constitutional Defense Restricted Account for legal services and just compensation for property taken. This appropriation from the Land Exchange Distribution Account is to have first priority over all others. Also appropriates the \$1,000,000 for FY 11, FY 12, and FY 13 from the Constitutional Defense Restricted Account to the Governor's Office - Constitutional Defense Council. The appropriation is nonlapsing. Increases the fund cap on the Constitutional Defense Restricted Account from \$2,000,000 to \$5,000,000.

SB 24 (2010 GS) Provides that 50% of revenue from oil shale leases on federal exchange parcels shall be deposited in the Land Exchange Distribution Account (SITLA issue). Modifies the calculation of administrative costs by capping the unused balance of admin costs at \$2,000,000. Any excess is distributed to the account for distribution per statute at fiscal yearend. SITLA may not deduct admin costs from the Fed portion of collections. Provides that 1% of monies in the Land Exchange distribution Account will be distributed to the Geological Survey for test wells until July 1, 2020, when the provision is repealed (reallocation from existing statute). Reduces the amount of money distributed from the Land Exchange Distribution Account to the Permanent Community Impact Fund from 7.5% to 6.5% of the account monies. The bill is effective for distributions in FY 2010 (The 1st and 2nd quarter distributions to the PCIF and the UGS will be reallocated in the 3rd quarter.)

HB 76 (2011 GS) Reallocates distributions from the Land Exchange Distribution Account. Reduces the distribution from the Permanent Community Impact Fund (from 6.5% to 3%) (Fund #5285)). Increases the distribution to the Constitutional Defense Restricted Account (from 7.5% to 11%)(fund #1321). Makes permanent the \$1,000,000 priority distribution to the Constitutional Defense Restricted Account from the Land Exchange Distribution Account each year. Removes the cap on the Constitutional Restricted Account (#1321). Adjusts appropriations for FY 2012 per the changes in the bill and also appropriates from the Constitutional Defense Restricted Account the additional \$600,000 it will receive to the Constitutional Defense Council (\$250,000) and the AG (\$350,000).

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This report presents unofficial, unaudited information that is subject to change.

For audited financial statements, see the State of Utah Comprehensive Annual Financial Report at <http://finance.utah.gov/cafr.html>

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HB 330 (2011 GS) As this this account (#1335), the bill updates the code reference to the Constitutional Defense Restricted Account.

HB 131 (2013 GS) Amends provisions relating to the Constitutional Defense Restricted Account, which is referenced in this section of the code.

### Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
1335	2007	\$0	\$5,451,723	\$0	\$0	\$5,451,723
1335	2008	\$5,451,723	\$15,920,177	\$0	(\$21,371,900)	\$0
1335	2009	\$0	\$16,500,194	\$0	(\$16,500,194)	\$0
1335	2010	\$0	\$17,850,292	\$0	(\$17,422,900)	\$427,392
1335	2011	\$427,392	\$16,800,021	\$0	(\$16,801,130)	\$426,283
1335	2012	\$426,283	\$10,251,026	\$0	(\$10,677,309)	\$0
1335	2013	\$0	\$3,724,426	\$0	(\$3,724,426)	\$0