

# Compendium of Budget Information for the 2014 General Session

## Infrastructure and General Government Appropriations Subcommittee

### Agency: Transportation

### Line Item: Mineral Lease

#### Function

Title 59-21-2(f) of the Utah Code Annotated requires the Department of Transportation to distribute 40% of all deposits made to the Mineral Lease Account to a county or special service districts organized throughout the State for areas impacted by mineral development. Title 59-21-2h of the Utah Code Annotated further requires the Department to distribute Mineral Lease Funds to each county in which school or institutional trust lands are located, or lands owned by the Division of Parks and Recreation, and or lands owned by the Division of Wildlife Resources that are not under an in lieu of taxes contract, an amount equal to the number of acres of those lands in the county multiplied by \$.52.

#### Intent Language

*It is the intent of the Legislature that the funds appropriated from the Federal Mineral Lease Account shall be used for improvement or reconstruction of highways that have been heavily impacted by energy development. It is the intent of the Legislature that if private industries engaged in developing the State's natural resources are willing to participate in the cost of the construction of highways leading to their facilities, that local governments consider that highway as a higher priority as they prioritize the use of Mineral Lease Funds received through 59-21-1(4)(c)(i). The funds appropriated for improvement or reconstruction of energy impacted highways are non-lapsing.*

#### Funding Detail

For more detail about a particular source of finance or organizational unit, click a linked entry in the left column of the table(s) below.

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Federal Mineral Lease	\$54,448,900	\$63,929,000	\$0	\$63,929,000	\$2,167,000	\$66,096,000
Total	\$54,448,900	\$63,929,000	\$0	\$63,929,000	\$2,167,000	\$66,096,000

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Mineral Lease Payments	\$51,305,600	\$61,460,000	\$0	\$61,460,000	\$2,167,000	\$63,627,000
Payment in Lieu	\$3,143,300	\$2,469,000	\$0	\$2,469,000	\$0	\$2,469,000
<b>Total</b>	<b>\$54,448,900</b>	<b>\$63,929,000</b>	<b>\$0</b>	<b>\$63,929,000</b>	<b>\$2,167,000</b>	<b>\$66,096,000</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Other Charges/Pass Thru	\$54,448,900	\$63,929,000	\$0	\$63,929,000	\$2,167,000	\$66,096,000
<b>Total</b>	<b>\$54,448,900</b>	<b>\$63,929,000</b>	<b>\$0</b>	<b>\$63,929,000</b>	<b>\$2,167,000</b>	<b>\$66,096,000</b>

**Program: Mineral Lease Payments**

**Function**

This money is to improve or reconstruct highways that have been impacted by the development of the State's natural and energy resources.

**Statutory Authority**

Title 59-21-2(f) of the Utah Code Annotated requires the Department of Transportation to distribute Mineral Lease Funds to special service districts organized throughout the State for areas impacted by mineral development.

**Funding Detail**

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Federal Mineral Lease	\$51,305,600	\$61,460,000	\$0	\$61,460,000	\$2,167,000	\$63,627,000
<b>Total</b>	<b>\$51,305,600</b>	<b>\$61,460,000</b>	<b>\$0</b>	<b>\$61,460,000</b>	<b>\$2,167,000</b>	<b>\$63,627,000</b>

Categories of Expenditure	2013	2014	2014	2014	2015	2015

	Actual	Approp	Change	Revised	Change	Approp
Other Charges/Pass Thru	\$51,305,600	\$61,460,000	\$0	\$61,460,000	\$2,167,000	\$63,627,000
Total	\$51,305,600	\$61,460,000	\$0	\$61,460,000	\$2,167,000	\$63,627,000

**Program: Payment in Lieu**

**Function**

These funds are distributed by the Governor's Office of Economic Development to special service districts. The Department of Transportation acts as a pass-through agent and does not use any of them for Department expenditures.

**Statutory Authority**

Title 59-21-2h of the Utah Code Annotated states the following:

- (i) an amount equal to 52 cents multiplied by the number of acres of school or institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each county in which those lands are located;
- (ii) to each county in which school or institutional trust lands are transferred to the federal government after December 31, 1992, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between 52 cents per acre and the per acre payment made to that county in the most recent payment under the federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 or P.L. 97-258 as amended, unless the federal payment was equal to or exceeded the 52 cents per acre, in which case no payment shall be made for the transferred lands; and;
- (iii) to each county in which federal lands, which are entitlement lands under the federal in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between the most recent per acre payment made under the federal payment in lieu of taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52 cents per acre, in which case no payment shall be made for the transferred land.

The acreage that is required to be considered under this statute for FY 2012 is 4,748,077 acres.

**Funding Detail**

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
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Federal Mineral Lease	\$3,143,300	\$2,469,000	\$0	\$2,469,000	\$0	\$2,469,000
<b>Total</b>	<b>\$3,143,300</b>	<b>\$2,469,000</b>	<b>\$0</b>	<b>\$2,469,000</b>	<b>\$0</b>	<b>\$2,469,000</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Other Charges/Pass Thru	\$3,143,300	\$2,469,000	\$0	\$2,469,000	\$0	\$2,469,000
<b>Total</b>	<b>\$3,143,300</b>	<b>\$2,469,000</b>	<b>\$0</b>	<b>\$2,469,000</b>	<b>\$0</b>	<b>\$2,469,000</b>

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.