

**Representative Stewart E. Barlow** proposes the following substitute bill:

**BRINE SHRIMP ROYALTY AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stewart E. Barlow**

Senate Sponsor: David P. Hinkins

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**LONG TITLE**

**General Description:**

This bill modifies the Brine Shrimp Royalty Act by amending provisions relating to the brine shrimp royalty.

**Highlighted Provisions:**

This bill:

- ▶ reduces the royalty rate on the total number of pounds of unprocessed brine shrimp eggs that a person harvests within the state during a tax year;
- ▶ amends the distribution of the revenue generated by the brine shrimp royalty;
- ▶ requires revenue generated by the brine shrimp royalty that is deposited in the Sovereign Lands Management Account to be used for certain purposes; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**59-23-4**, as last amended by Laws of Utah 2016, Chapter 135



26 **65A-5-1**, as last amended by Laws of Utah 2014, Chapter 313



27  
28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section **59-23-4** is amended to read:

30 **59-23-4. Brine shrimp royalty -- Royalty rate -- Commission to prepare billing**  
31 **statement -- Deposit of revenue.**

32 (1) A person shall pay for each tax year a brine shrimp royalty of [~~3.75~~] 3.25 cents  
33 multiplied by the total number of pounds of unprocessed brine shrimp eggs that the person  
34 harvests within the state during the tax year.

35 (2) (a) A person that harvests unprocessed brine shrimp eggs shall report to the  
36 Department of Natural Resources the total number of pounds of unprocessed brine shrimp eggs  
37 harvested by that person for that tax year on or before the February 15 immediately following  
38 the last day of that tax year.

39 (b) The Department of Natural Resources shall provide the following information to  
40 the commission on or before the March 1 immediately following the last day of a tax year:

41 (i) the total number of pounds of unprocessed brine shrimp eggs harvested for that tax  
42 year; and

43 (ii) for each person that harvested unprocessed brine shrimp eggs for that tax year:

44 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that  
45 person for that tax year; and

46 (B) a current billing address for that person; and

47 (iii) any additional information required by the commission.

48 (c) (i) The commission shall prepare and mail a billing statement to each person that  
49 harvested unprocessed brine shrimp eggs in a tax year by the March 30 immediately following  
50 the last day of a tax year.

51 (ii) The billing statement under Subsection (2)(c)(i) shall specify:

52 (A) the total number of pounds of unprocessed brine shrimp eggs harvested by that  
53 person for that tax year;

54 (B) the brine shrimp royalty that the person owes; and

55 (C) the date that the brine shrimp royalty payment is due as provided in Section

56 **59-23-5.**

57 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
58 commission may make rules prescribing the information required under Subsection (2)(b)(iii).

59 (3) Revenue generated by the brine shrimp royalty shall be deposited [~~in the Species~~  
60 ~~Protection Account created in Section 79-2-303.~~] as follows:

61 (a) \$125,000 of the revenue generated by the brine shrimp royalty shall be deposited in  
62 the Sovereign Lands Management Account; and

63 (b) the remainder of the revenue generated by the brine shrimp royalty shall be  
64 deposited in the Species Protection Account created in Section 79-2-303.

65 Section 2. Section **65A-5-1** is amended to read:

66 **65A-5-1. Sovereign Lands Management Account -- Creation -- Contents --**  
67 **Appropriation to fund division expenses.**

68 (1) There is created within the General Fund a restricted account known as the  
69 Sovereign Lands Management Account.

70 (2) The account shall consist of the following:

71 (a) all revenues derived from sovereign lands;

72 (b) that portion of all revenues derived from mineral leases on other lands managed by  
73 the division necessary to recover management costs; [~~and~~]

74 (c) any fees deposited by the division[~~;~~]; and

75 (d) amounts deposited into the account in accordance with Section 59-23-4.

76 (3) All expenditures of the division relating directly to the management of state lands  
77 shall be funded by appropriation by the Legislature from the Sovereign Lands Management  
78 Account or other sources.

79 (4) The Legislature may appropriate funds in the account to reimburse one or more  
80 state government entities for money spent on the operation of national parks, national  
81 monuments, national forests, and national recreation areas in the state during a fiscal  
82 emergency, as defined in Section 79-4-1102.

83 (5) The division shall use the amount deposited into the account under Subsection  
84 (2)(d) for the Great Salt Lake as described in Section 65A-10-8 as directed by the Great Salt  
85 Lake Advisory Council created in Section 70-30-201.

86 Section 3. **Effective date.**

87 This bill takes effect on February 1, 2019.